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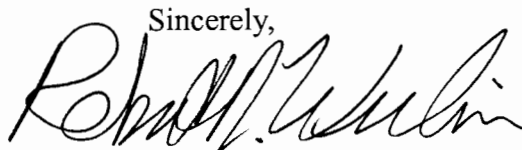
Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: D.T.E. 04-113, Boston Edison Company – 2004 Reconciliation Filing

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter are the responses to the Information Requests set forth on the accompanying list.

Thank you for your attention to this matter.

Sincerely,

Robert N. Werlin

Enclosures

cc: Service List

Responses to Information Requests

Information Request DTE-1-2

Information Request DTE-1-7

Information Request DTE-1-8

Information Request DTE-1-9

Information Request DTE-1-10

Information Request DTE-1-12

Information Request DTE-1-2

Refer to Exhibit BEC-CLV-1 (Supp) at 1. Please explain the derivation of the transition charge located in column C for 2005 (2.335 cents per kilowatthour). In addition, provide complete and detailed documentation of the derivation of the transition charge, including underlying data in Microsoft Excel format with formulas in cells.

Response

The forecast for the average transition charge is generally computed by dividing the forecast total expenses to be recovered, including deferrals, over-recoveries and carrying charges from the previous year (Exhibit BEC-CLV-1, Page 1, Column J) by the forecast GWh sales (Exhibit BEC-CLV-1, Page 1, Column B). For the year 2005, this would have produced an average rate of 2.352 cents per kWh for Boston Edison. However, for January and February 2005, the Company's average rate was restricted by the statutory requirement to maintain a minimum inflation-adjusted 15 percent rate reduction for each rate class. Please refer to Exhibit BEC-HCL-2, which shows that the 2.335 cents per kilowatthour average rate for Boston Edison was the maximum average transition charge rate allowed that would maintain the minimum inflation-adjusted 15 percent rate reduction for each rate class.

Information Request DTE-1-7

Refer to Exhibits BEC-CLV (Supp) at 3, BEC-CLV-3, BEC-CLV-3 (Supp). Please explain why updates to page 2 of Exhibit BEC-CLV-3, shown on page 1 of 1 of Exhibit BEC-CLV-3 (Supp), do not change any values on page 1 of Exhibit BEC-CLV-3. If this was an inadvertent error, please provide an update for Exhibit BEC-CLV-3 (Supp) that includes a revised page 1 and the existing page 1 of Exhibit BEC-CLV-3 (Supp) re-designated as page 2, consistent with the paging in the initially-filed Exhibit BEC-CLV-3.

Response

The purpose of the first page to Exhibit BEC-CLV-3 is to develop the Average Retail Transmission Rate for 2005 (Line 19), which is the basis for the transmission rates in the tariffs effective January 1, 2005. One component of the Average Retail Transmission Rate for 2005 is the over/under collection of actual transmission costs projected at December 31, 2004 as shown on Line 16. As discussed on pages 3 and 4 of Exhibit BEC-CLV(Supp), the Company is not proposing to change the existing rate levels; thus, there is no need to revise page 1.

Information Request DTE-1-8

Please refer to Exhibit BEC-CLV-4 (Supp) at 2. Provide a table with the following information regarding each contract: (1) list of contracts on the exhibit, as well as any contracts of which the company had ownership beyond those listed; (2) plant's location; (3) plant's in-service date; (4) plant's energy source; (5) size of unit; (6) company ownership share; (7) company entitlement; (8) renegotiated or bought-out; (9) counter-party; (10) net proceeds to the company; (11) savings to ratepayers; and (12) closing or termination date.

Response

Please refer to Attachment DTE-1-8 for a table supplying the requested information regarding each contract shown in Exhibit BEC-CLV-4 (Supp) at 2.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Contract	Location	Contract Start Date	Energy Source	Size - Unit Capacity (Winter)	Company Entitlement Share	Company Entitlement (Winter)	Renegotiated or bought-out	Counter-party	Net Proceeds to the Company	Savings to Customers	Closing or Termination
MASSPOWER	Indian Orchard, MA	1/1/1994	Gas	270.0 MW	44.340%	117.0 MW	Yes - D.T.E. 04-61	MASSPOWER	---	\$83.0 M	3/1/2005
Entergy Nuclear	Plymouth, MA	7/13/1999	Nuclear	685.0 MW	37.275%	255.2 MW	Yes - D.T.E. 98-119/126	Entergy	---	---	12/31/2004
MBTA Jets 1	S. Boston, MA	6/1/1986	Jet Fuel	33.4 MW	100.000%	33.4 MW	---	---	---	---	12/31/2005
MBTA Jets 2	S. Boston, MA	5/1/1994	Jet Fuel	34.7 MW	100.000%	34.7 MW	---	---	---	---	12/31/2019
NEA A	Bellingham, MA	9/15/1991	Gas	328.6 MW	46.600%	153.0 MW	Yes - D.T.E. 04-85	Northeast Energy Associates L.P.	---	\$0.0 M Combined	9/15/2016
NEA B	Bellingham, MA	9/15/1991	Gas	328.6 MW	28.000%	92.0 MW					9/15/2011
Ocean State 1	Burrillville, RI	12/31/1990	Gas	316.9 MW	23.500%	74.5 MW	Yes - D.T.E. 04-68	TransCanada	---	\$8.1 M Combined	9/30/2011
Ocean State 2	Burrillville, RI	10/31/1991	Gas	310.0 MW	23.500%	72.9 MW					

Information Request DTE-1-9

Please refer Exhibit BEC-CLV at 23-24. Now that standard offer service has expired, what does BECo plan to do both physically and financially with its remaining load obligation?

Response

All former Standard Offer Service customers that did not select an alternative supplier were placed on Default Service (also referred to as Basic Service) as of March 1, 2005 and, therefore, pay market-based rates. Supplies for all Basic Service customers (including those that had been Standard Offer Service customers) were and will be procured in accordance with the Department's Default Service procurement requirements. The output of any pre-restructuring purchase power agreements that have not been divested will be sold into the wholesale market to mitigate transition costs.

Information Request DTE-1-10

Does BECo have ownership entitlement in any generation units? If yes, please provide a table with the following information: (1) list of units; (2) unit's location; (3) unit's in-service date; (4) unit's energy source; (5) size of unit; (6) company ownership share; (7) company entitlement; (8) renegotiated or bought-out; (9) counter-party; (10) net proceeds to the company; (11) savings to ratepayers; and (12) closing or termination date.

Response

Boston Edison does not have ownership in any generation units. Please refer to the response to Information Request DTE-1-8 for a list of Boston Edison's contract entitlements.

Information Request DTE-1-12

Refer to Exhibit BEC-CLV-4 (Supp) at 6. Please provide a copy of BECo's wholesale agreements with Braintree and with Massport, including all amendments thereto.

Response

Please refer to Attachment DTE-1-12(a) for a copy of Boston Edison's wholesale agreement with Massport, and to Attachment DTE-1-12(b) for a copy of Boston Edison's wholesale agreement and two amendments with the Town of Braintree.

D.T.E. 1-12(a)

**ALL REQUIREMENTS BULK POWER SUPPLY CONTRACT
AND SERVICE AGREEMENT BY AND BETWEEN
BOSTON EDISON COMPANY AND
THE MASSACHUSETTS PORT AUTHORITY**

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**ALL REQUIREMENTS BULK POWER SUPPLY CONTRACT
AND SERVICE AGREEMENT BY AND BETWEEN
BOSTON EDISON COMPANY AND THE MASSACHUSETTS PORT AUTHORITY**

This Agreement is made as of this ____ day of February, 1996 (the "Execution Date"), by and between Boston Edison Company, a Massachusetts corporation having offices at 800 Boylston Street, Boston, Massachusetts ("Edison"); and the Massachusetts Port Authority ("Massport"), a public authority and body politic and corporate of the Commonwealth of Massachusetts, created and existing under the provisions of Massachusetts Special Laws Chapter 465 of the Acts of 1956, as amended ("Enabling Act").

Whereas, among the activities of Massport is the responsibility for the management, operation, maintenance and development of its projects and of Facilities described herein, which management includes the purchase of electric power and the operation and maintenance of the electrical transformation, distribution, metering, and billing systems serving the entire electric power load at all the Facilities;

Whereas, Massport has made significant investment in the design, construction and maintenance of equipment for the transformation, distribution and delivery of electricity at its various projects, including the Facilities described herein;

Whereas, Massport owns the distribution network which transforms, distributes, delivers, and meters the electricity to serve the users of its projects, including the Facilities described herein;

Whereas, in consideration of that investment and ownership, the Massport Board has determined that the most prudent use of the equipment requires the wholesale bulk purchase of electricity for resale to the tenants and users of its projects, including the Facilities described herein;

Whereas, the Massachusetts Department of Public Utilities ("DPU"), in a 1953 Edison decision, recognized that Massport's predecessor had the right to make electric sales for resales;

Whereas, Edison recognizes Massport as an electricity wholesaler and its authority and ability to make electric sales for resales;

Whereas, as a wholesale purchaser of electricity under current law, Massport is able to purchase bulk electricity supply from any supplier licensed to do business in the Commonwealth, and to undertake and enjoy the substantial benefits that have resulted from the competitive marketplace process;

Whereas, in consideration of (1) the financial and operational needs of Massport and the users of its projects, and (2) the favorable consequences under federal and state law applicable to Massport's status as a wholesaler of electric power, the Massport Board has determined that as a matter of policy and as a practical business matter the bulk purchase of electricity and the resale of electricity to the users of its projects, including the Facilities described herein, would be in the best interest of Massport and would assist in the development and operation of those projects;

Whereas, in accordance with Massport Board's instructions to conduct a competitive process, Massport staff, on July 6, 1995, issued a document entitled "Request for Proposals for the Supply of Bulk Power Requirements of Massport" ("RFP") seeking proposals for the long-term, firm, reliable, and least-cost supply of wholesale or bulk electric capacity and energy necessary to meet its requirements with respect to its Facilities described herein;

Whereas, Massport received numerous proposals in response to its RFP, which Massport analyzed pursuant to its evaluation matrix and process;

Whereas, the Massport Board has determined that Edison has submitted the best offer, considering *inter alia*, price, reliability and financial risk;

Whereas, Massport, in an August 7, 1995 letter, provided notice to Edison regarding the termination of electric service, pursuant to existing agreements, to the Facilities specifically set forth in this Agreement;

Now, therefore, in accordance with the foregoing and in consideration of the mutual promises and agreements set forth herein, Massport agrees to purchase from Edison and Edison agrees to provide electric power supply to Massport in accordance with the following provisions.

1. Definitions.

Whenever used in this Agreement, the following terms shall have the following meanings.

1.1 "All Requirements Service" shall mean the total amount of electric capacity, related energy, and related transmission service to each Delivery Point needed to supply each Facility specified herein with all of its requirements for electric capacity and related energy, with the exception of power provided by Massport utilizing its presently existing generation capacity, future generation exclusively used for emergency or standby purposes and which is operated only to respond to emergency situations; and any other generation mutually agreed to by Massport and Edison.

1.2 "Delivered Energy" shall mean the sum of the number of kilowatt hours delivered to and metered at each Delivery Point in accordance with the provisions of this Agreement during the applicable period.

1.3 "Delivery Point" shall mean the respective interconnection points for each Facility, as specified below or as Massport may designate from time to time by written notice:

1.3.1 Logan Airport;

1.3.2 Hanscom Field: Massport's Civil Terminal Building and Airfield Lighting Vault;

1.3.3 Black Falcon Terminal: Massport's Black Falcon substation;

1.3.4 Conley Terminal: Massport's Conley substation;

1.3.5 Moran Terminal: Massport's Moran substation.

1.4 "Delivery Voltage" shall mean the respective interconnection voltage for each Facility, as specified below:

1.4.1 Logan Airport: 13.8 kilovolts ("kV");

1.4.2 Hanscom Field: 4.16 kV;

1.4.3 Black Falcon Terminal: 13.8 kV;

1.4.4 Conley Terminal: 13.8 kV;

1.4.5 Moran Terminal: 13.8 kV.

1.5 "Facility" or "Facilities" shall mean each of the following, the electric power needs of which are the subject of this Agreement:

1.5.1 General Edward Lawrence Logan International Airport, located in East Boston, Massachusetts ("Logan Airport");

1.5.2 Lawrence G. Hanscom Field, located in Bedford, Massachusetts ("Hanscom Field");

1.5.3 Black Falcon Cruise Terminal/Army Base, located at 1 Black Falcon Avenue, South Boston, Massachusetts ("Black Falcon Terminal");

1.5.4 Conley Container Terminal, located at First Street and Farragut Road, South Boston, Massachusetts ("Conley Terminal"); and

1.5.5 Moran Container Terminal and the Tobin Bridge, located at 100 Terminal Street, Charlestown, Massachusetts ("Moran Terminal").

1.6 "Prudent Utility Practice" shall mean the practices, methods and acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry) that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that should have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with law, regulation, reliability, safety, environmental protection, economy and expedition.

2. Scope of Agreement.

2.1 Edison shall supply and Massport shall take and pay for All Requirements Service to the Facilities in accordance with the provisions and during the term of this Agreement. Edison shall provide such service from its entire electric system and

from all of its power supply resources in accordance with prudent utility practice.

Edison shall continue to supply capacity and energy to Massport as a highest priority customer.

2.2 Electricity supplied hereunder shall be in the form of three-phase, sixty (60) hertz alternating current. Electricity shall be delivered to each Delivery Point at such Delivery Point's respective Delivery Voltage.

2.3 Edison shall provide at the Delivery Points such capacity and energy that Massport may from time to time demand or require.

2.4 Edison shall not be responsible for any failure to supply electric service, nor for interruption, reversal or abnormal voltage of the supply, provided such failure, interruption, reversal or abnormal voltage is not a consequence of Edison's negligence or action or omission which is not in accordance with prudent utility practice.

Whenever the integrity of Edison's system or supply of electricity is threatened by conditions on its system or on the systems with which it is directly or indirectly interconnected, or whenever it is necessary or desirable to aid in the restoration of service, Edison may, in its sole judgment and with reasonable prior notice to Massport, curtail or interrupt electric service or reduce voltage to Massport, and such curtailment, interruption or reduction shall not constitute negligence by Edison or an action or omission which is not in accordance with prudent utility practice. Notice

hereunder shall be sufficient to enable Massport to take such actions to avoid or mitigate, to the extent possible, any damages that might result from such curtailment, interruption or reduction.

Edison may from time to time, test all or portions of its electric system in accordance with prudent utility practice. These tests may include, but not be limited to, equipment operation performance, momentary service interruptions and voltage reductions. Edison will provide reasonable prior notice to Massport of the scheduling of all tests which may reasonably be expected to affect Massport. Notice hereunder shall be sufficient to enable Massport to avoid or mitigate, to the extent possible, any damages that might result from such tests.

3. Regulatory Acceptance and Term of Agreement.

3.1 Edison shall file this Agreement with the Federal Energy Regulatory Commission ("FERC"). Edison shall use its best efforts to secure acceptance of this Agreement by FERC on the earliest possible date. Edison shall seek all approvals and waivers necessary for service hereunder to commence on the earliest possible date. Except as otherwise noted in this Agreement, on the date of FERC's acceptance of this Agreement (the "Acceptance Date"), the obligations of Edison and Massport under their current contracts relating to the Facilities shall terminate, except to the

extent necessary to provide for final billing, billing adjustments, payments, accounting, and dispute resolution. Page 12 of 46

3.2 In the event that FERC modifies, conditions or restricts this Agreement or does not accept it in its entirety in connection with the initial filing thereof with such agency, and such modification, condition, restriction, or non-acceptance materially adversely affects either party, the parties may either agree to accept such modification, condition, restriction, or non-acceptance, or agree to negotiate, in good faith for thirty days, alternative provisions to ensure that the parties are in similar economic positions to those they would have occupied if the modification, condition, restriction, or non-acceptance has not been made. If the parties cannot agree to alternative provisions, then Massport and Edison shall have the right to terminate this Agreement which shall be effective upon receipt of written notice of termination by the other party, notwithstanding any other provision contained herein.

3.3 All Requirements Service under this Agreement shall be deemed to have commenced as of 12:01 a.m. on November 1, 1995 (the "Commencement Date").

From and after the Acceptance Date, Massport shall pay Edison for All Requirements Service, at 5.92¢/kWh, in accordance with the provisions of this Agreement.

3.4 On or before thirty (30) days after the Acceptance Date, Edison shall recalculate Massport's bill for electric service and shall refund to Massport the

difference between what Massport has been billed and paid to Edison for electric service to the Facilities from the Commencement Date to the Acceptance Date and what it would have been billed from the Commencement Date to the Acceptance Date under the rate for electric service contained in Section 4 of this Agreement (5.92¢/kWh). However, for purposes of this refund, the sum of \$600,000 shall be refunded to Massport for the months of November and December, 1995, in lieu of recalculating the bills for the months of November and December 1995.

If after ninety (90) days from the Execution Date, FERC has not accepted this Agreement, the amount which Edison shall refund to Massport under this Section 3.4 from the Commencement Date to the Acceptance Date, shall include simple interest at the then current prime interest rate offered by the Bank of Boston, its successors or assigns. Such interest shall accrue from the ninetieth (90th) day following the Execution Date.

3.5 All Requirements Service under this Agreement shall continue at least through the tenth (10th) anniversary of the Commencement Date (the "Initial Term"), unless sooner terminated for cause in accordance with the provisions hereof. As of the Execution Date, Edison shall have no claim against Massport for stranded costs, investment or revenue. On or before the date that is thirty (30) months prior to the tenth (10th) anniversary of the Commencement Date, Edison shall provide to Massport, in good faith, its proposed rates, terms, and conditions for continuation of

service with respect to the Facilities beyond the Initial Term ("Follow-On Service"). Edison shall provide Follow-On Service at a price no higher than yielded by a traditional embedded cost-of-service based pricing mechanism (described in Attachment A) for loads similar to Massport's. Edison shall also provide to Massport all cost-of-service information used in developing any such proposed rates. In no event shall Edison include in its proposed rates for Follow-On Service any amount for stranded costs, investment or revenue.

3.6 Massport may terminate this Agreement by giving Edison written notice at least eighteen (18) months in advance of the proposed termination date; provided, however, in no event shall such termination date be prior to the tenth (10th) anniversary of the Commencement Date. If Massport terminates this Agreement after the ten (10) year Initial Term and does not continue service from Edison with respect to the Facilities, Edison shall not apply any and shall have no claims for stranded cost charges as a result of Massport's leaving the system. If Massport continues to obtain electric service from Edison after the Initial Term, Massport may terminate service on eighteen (18) months prior written notice. To the extent necessary, applicable provisions of this Agreement shall remain in effect following its expiration or termination to provide for final billing, billing adjustments, payments, accounting, and dispute resolution, only.

3.7 Notwithstanding the foregoing, and in addition to any other remedy available to it, either party shall be entitled to terminate this Agreement for cause in the event of the uncured substantial and material breach hereof by the other.

3.7.1 For purposes of this Section, the following, without limitation, shall constitute substantial and material breach hereof by Edison:

- A. Except as provided herein, failure to provide All Requirements Service from its entire electric system and from all its power supply resources to Massport, delivered in the amounts and as otherwise required in accordance with the rates, terms and provisions and during the term of this Agreement;**
- B. Failure to use its best efforts to secure acceptance of this Agreement by FERC and any other necessary approvals;**
- C. Failure to pay to Massport any sum due hereunder;**
- D. Failure to propose in accordance with the provisions of this Agreement rates, terms, and conditions for Follow-On Service;**
- E. Failure to charge Massport the correct amounts in accordance with the provisions of this Agreement;**
- F. Failure to pay to Massport any sum required, or otherwise to perform its obligations with respect to "Ancillary Arrangements" described hereunder;**

- G. Failure to perform its obligations with respect to not challenging or changing the fixed and set rate charged to Massport for the Initial Term of this Agreement;**
- H. Failure to perform its obligations with respect to Massport's non-discrimination policies.**
- I. There shall be filed by or against Edison a petition initiating proceedings under the Bankruptcy Code and such proceedings shall not be dismissed within ninety (90) days, unless Edison, with approval of the Bankruptcy Court, assumes this Agreement within said ninety (90) day period and agrees to continue to fulfill all its obligations under this Agreement.**

3.7.2 For purposes of this Section, the following shall constitute a substantial and material breach hereof by Massport:

- A. Failure to pay to Edison undisputed amounts for service rendered hereunder in accordance with the provisions and during the term of this Agreement;**
- B. Failure to perform its obligations with respect to any payments made to it by Edison with respect to the "Ancillary Arrangements" described hereunder.**

3.7.3 Notice and Cure of Breach

Before either party may act to terminate this Agreement based on any of the events set forth in Sections 3.7.1 and 3.7.2 above, the party intending to terminate the Agreement must first provide the other party with written notice which sets forth the specific act, event or conduct which the offended party believes constitutes a breach of the Agreement. The party receiving such notice of the other party's intent to terminate the Agreement shall have thirty (30) days to cure the alleged breach. If the breach is not cured within the thirty (30) day period and that period is not extended by the mutual agreement of the parties, the offended party shall have the right to terminate this Agreement. It is the intent of the parties to work in good faith to resolve all disputes in mutually satisfactory fashion before initiating the processes described in this Section 3.7.3.

4. Price for Power.

For All Requirements Service, Massport shall pay to Edison each month from and after the Commencement Date the amount equal to the product of the Delivered Energy metered in the previous month (expressed in kilowatt hours) and the rate of five and ninety-two hundredths cents per kWh (5.92¢/kWh).

The parties agree and acknowledge that such rate of 5.92¢/kWh shall remain fixed for the entire ten-year Initial Term of this Agreement; that such rate shall not be subject to any change, including without limitation any escalation, adjustment, time differentiation, or seasonal differentiation; and that no additional charges, including without limitation demand charges, capacity charges, transmission charges, distribution charges, fuel charges, energy charges, line losses, costs of maintaining power factor levels, stranded cost charges, system upgrade costs, and costs of environmental compliance shall be paid by Massport to Edison or any other entity or person. Neither party shall attempt unilaterally to amend or challenge the price for power or the provision of electric service during the Initial Term under this Agreement.

5. Meters and Metering.

5.1 Edison shall utilize existing metering and telemetering equipment, at its own expense, at a suitable location to be provided by Massport at each Delivery Point.

Such metering equipment shall measure the number of kilowatt hours actually delivered to each Delivery Point. The metering shall be at the low side of the Delivery Point.

5.2 Edison shall maintain the accuracy of all metering equipment and shall conduct at its own expense an annual test of each meter used in metering the Delivered

Energy. If at any time such equipment is found to be inaccurate by more than one percent (1%), Edison shall make it accurate or replace it and the meter readings for the period of inaccuracy, to the extent the period reasonably can be ascertained, shall be adjusted accordingly. However, no adjustment shall be made more than eighteen (18) months after the occurrence of such inaccuracy, except by mutual agreement.

5.3 In addition to such annual tests, Edison shall test any meter upon the written request of Massport. If such requested test reveals the meter to be within one percent (1%) accurate, the reasonable expense of such test shall be borne by Massport.

5.4 Edison shall notify Massport at least seven (7) days in advance of each annual or specially-requested test so that Massport can have a representative present at each test. Edison shall submit the results of such tests to Massport within thirty (30) days.

6. Billing and Payment.

6.1 Bills under this Agreement shall be rendered monthly.

6.2 All bills shall be due and payable upon presentation. In the event of a dispute as to the amount of any bill, Massport will pay to Edison the undisputed amount.

Massport may at its option also pay the disputed amount to Edison subject to refund,

with simple interest at the then current prime interest rate offered by the Bank of Boston, its successors or assigns. In the event Massport retains the disputed amount, it shall pay any amount ultimately determined to be correct with simple interest at the same rate described above.

6.3 No interest shall be due if payment by Massport is made on or before the fifty-fifth (55th) day from the date Edison's bill is received by Massport. Payment may be either by: (a) wire transfer to Edison's account by noon of the fifty-fifth day, or (b) by receipt of a check by noon of the business day immediately preceding the fifty-fifth day. If payment is not made by the fifty-fifth day, simple interest, on the unpaid balance, at the then current prime rate offered by the Bank of Boston, its successors or assigns during the period of such non-payment shall accrue to Edison from and after the thirtieth day from the date said bill is payable.

7. Liability.

7.1 Except as provided in Sections 2.4 and 7.2 below, each party shall be responsible for the electricity on its respective side of the Delivery Point and shall indemnify, save harmless, and defend the other against all claims, demands, costs, or expenses for loss, damage, including any consequential damage or loss of profits, or injury to persons or property in any manner directly or indirectly arising from,

connected with, or growing out of the presence, use, or transmission of electricity over the wires, cables, devices, or appurtenances owned by it. Each party assumes full responsibility in connection with the service rendered hereunder for its respective wires, cables, and other devices used in connection with such service. Each party shall be solely liable for all claims of its own employees arising under any worker's compensation laws.

7.2 Edison agrees to defend, indemnify and hold harmless Massport and its employees, officers and directors from and against any and all claims, costs (including attorney fees and all costs of litigation and investigation), demands, actions, including actions for personal injury or wrongful death, actions for property damage, and any other types of claims asserted by third persons alleging a violation of law or for any other cause, arising from or related to Edison's negligent acts or omissions; provided, however, that this obligation to defend, indemnify and hold harmless shall not apply to claims which Edison demonstrates were caused primarily by the negligence of Massport. This paragraph shall survive any termination or expiration of this Agreement.

8. Insurance.

Edison shall purchase and maintain for the term of this Agreement Comprehensive General Liability insurance coverage with a single limit of no less than \$10 million. Coverage shall be written on a claims made basis and shall name Massport as an additional insured, as its interest may appear. Limits shall be periodically reviewed and adjusted from time to time, as may be reasonably requested, but no more frequently than once per year.

9. Ancillary Arrangements.

9.1 After the Acceptance Date and subject to the specific conditions set forth in Section 9, Edison shall provide Massport with the following:

9.1.1 Seven hundred fifty thousand dollars (\$750,000) within thirty (30) days of Massport awarding a contract for the purchase or installation of a new electric chiller(s) to replace two (2) steam absorption chillers as a contribution to the cost of improvements to Massport's central electric chiller plant, which is scheduled in the 1998/99 timeframe. If payment is made and the installation does not occur within sixty (60) months of payment, Massport shall repay to Edison the sum of \$750,000; and

9.1.2 (1) Sixty thousand dollars (\$60,000) to be used to purchase ground support vehicles, which amount Massport shall have the right to receive at any time during the term of this Agreement and which shall be paid within 30 days of executing an agreement for the purchase of such vehicles; and (2) one hundred ninety thousand dollars (\$190,000) to be applied to the incremental cost of purchasing electric buses, ground-up step vans, and/or pickup trucks expected to be produced at Edison's proposed South Boston electric vehicle manufacturing facility. If Edison is unable to deliver these vehicles within three years of the Acceptance Date, Edison shall pay to Massport the \$190,000 for the purchase of such vehicles from another source.

9.2 In addition to the contributions and payments under Section 9.1, Edison shall, at Massport's request, provide and finance a number of demand side management ("DSM") services to increase energy efficiency and decrease electric consumption at the Facilities. The DSM services and options and applicable estimated costs, projected savings, and surcharges are set forth in Attachment B hereto. These DSM services and options are projected to reduce Massport's electric costs at the Facilities by six million, six hundred thirty thousand dollars (\$6,630,000) and will increase costs to Massport by six million, four hundred eighty-five thousand dollars (\$6,485,000), for a net ten-year savings of one hundred forty-five thousand dollars (\$145,000). Massport is authorized to accept or reject any or all of these DSM services and options. If Massport selects a DSM service and option, Edison shall

finance and install such DSM service and option. Massport shall pay for such DSM service as set forth in Attachment B of this Agreement.

9.3 Edison shall, at Massport's request, provide and finance: corrections to the power factor at Conley Terminal and Moran Terminals; installation of pre-conditioned air systems; steam chiller replacement; cooling tower VSDs; boiler forced draft fan VSDs; high temperature hot water; chilled water variable speed pumping; energy management system upgrade; and lighting. These DSM services and options are also described in Attachment B.

9.4 At Massport's option, Edison shall purchase from Massport, at the then current rate, all or such portion of Massport's eight thousand, seven hundred fifty kilowatts (8,750 kW) of generation capacity at Logan Airport as Massport may make available to Edison. Edison estimates that credits under such contract are expected to exceed twenty-two thousand, five hundred dollars (\$22,500) annually. The details with respect to this offer are set forth in Attachment C hereto.

10. Audit and Inspection of Records

Edison shall permit the authorized representative of Massport to inspect and audit all data and records of Edison to inspect and audit all data and records of Edison and its contractors

relating to performance under this Agreement from the Commencement Date until the expiration of two years after completion of the Agreement. Edison shall keep all records pertaining to any disputes under this Agreement while resolution of such dispute is still pending.

11. Governing Law.

The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the Commonwealth of Massachusetts.

12. Entire Agreement.

This Agreement shall constitute the entire Agreement between the parties hereto relating to the subject matter hereof, and all previous agreements, discussions, communications, and correspondence with respect to the subject matter hereof shall be superseded by the execution of this Agreement. This Agreement shall also supersede any tariffs governing the provision of electric power to Massport by Edison with respect to the Facilities.

13. Parties Bound: Assignment.

This Agreement is the corporate act and obligation of Edison and of Massport, and shall inure to the benefit of and bind their respective successors and assigns. Neither party may assign or transfer its rights or obligations hereunder without the prior written consent of the other, and any purported assignment in violation of this provision shall be voidable at the election of the non-assigning party.

14. Third Party Rights

Except as otherwise specifically and expressly provided in this Agreement, nothing herein shall be construed as creating any duty, liability, or standard of care owed by either party to any third party.

15. General Compliance with Law

Edison shall perform its obligations under the Agreement in accordance with prudent utility practice. Edison shall also comply with all federal, Massachusetts, and local laws, ordinances, and rules and regulations applicable to the performance of its obligations under this Agreement.

16. No Waiver of Rights.

No course of dealing between the parties, nor any delay on the part of either party in exercising any rights available to it hereunder, at law, or in equity, shall operate as a waiver of any such rights.

17. Notices.

Any notice, request, demand, statement, bill, or payment required by this Agreement, or any other notice that either party may wish to give to the other, shall be in writing and shall be delivered either in person or by first-class mail, postage prepaid, to the following addresses or to such other addresses as the parties may from time to time advise in writing.

**Director of Administration and Finance
Massachusetts Port Authority
10 Park Plaza
Boston, MA 02116**

**David S. Rosi, Sales & Marketing Group
Boston Edison Company
800 Boylston Street
Boston, MA 02199**

with a copy to:

with a copy to:

**Chief Legal Counsel
Massachusetts Port Authority
10 Park Plaza
Boston, MA 02116**

**General Counsel
Boston Edison Company
800 Boylston Street
Boston, MA 02199**

Notwithstanding the foregoing, any notice of an emergency nature shall be made by telephone as expeditiously as possible, with written notice to follow.

18. Mediation.

Prior to initiating litigation, all disputes with respect to the interpretation of or performance under this Agreement shall be submitted to mediation, except those matters that fall within the exclusive jurisdiction of the FERC. Both parties shall make a good faith effort to resolve such disputes within the context of the mediation process.

19. Prohibition on the Employment of Massport Personnel.

During the term of this Agreement, Edison shall not employ, on either a full-time or part-time basis, any person so long as such person shall be employed by Massport.

20. Equal Employment Opportunity.

Edison shall abide by and conform with the non-discrimination terms and other provisions in Attachment D attached hereto and incorporated herein.

21. Certificate of Compliance.

Edison shall complete the Certificate of Compliance with Laws form designated as Attachment E attached hereto and incorporated herein.

22. Conflict of Interest.

Edison warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Edison, to solicit or secure this Agreement and that it had not paid or agreed to pay any company or person, other than a bona fide employee working solely for Edison, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from making of this Agreement.

23. Representations and Warranties.


23.1 Edison hereby represents and warrants to Massport that it has full power and authority to enter into this Agreement, that its execution of this Agreement is a duly authorized, legal, valid, and binding action of Edison, and that no consent of any other party and no act of any governmental authority is required in connection with the execution and delivery of this Agreement by Edison and the assumption by Edison of its obligations hereunder.

23.2 Massport hereby represents and warrants to Edison that it has full power and authority to enter into this Agreement, that its execution of this Agreement is a duly authorized, legal, valid, and binding action of Massport, and that no consent of any other party and no act of any other governmental authority is required in connection

with the execution and delivery of this Agreement by Massport and the assumption by
Massport of its obligations hereunder.

In witness whereof, Boston Edison Company and the Massachusetts Port Authority have
caused this Agreement to be executed by their respective officers and officials thereunto duly
authorized as of the date first above written.

BOSTON EDISON COMPANY


By: Chief Executive Officer

MASSACHUSETTS PORT AUTHORITY


By: Executive Director

ATTACHMENT A

The traditional embedded cost of service for purposes of this Agreement shall be determined in accordance with principles in effect at the Federal Energy Regulatory Commission at the Execution Date.

Attachment B

Demand Side Management (DSM)

PROJECT QUALIFICATION AND FINANCING

At Massport's option, Edison shall provide energy services or construction financing through a "shared savings" approach or project financing through such vehicles as leases, loans, and performance service contracts for each and every project listed in Table 1, for the full amount of the installed cost. Alternatively, at Massport's option, Massport can choose to reimburse Edison for the installed cost of the individual DSM projects listed in Table 1 according to the formula shown at the bottom of Table 2. At Massport's option, Edison will assume full responsibility for the timely construction and installation of each and every DSM project listed in Table 1. Under this option, Edison will finance for Massport for the actual amount of each project as listed in Table 1 when Massport notifies Edison that the project cost has been incurred.

Edison shall provide senior engineering and consulting personnel at no cost to Massport for up to 250 hours annually. This shall be in addition to the Edison Account Executive who will continue to provide services to Massport at no cost.

Edison shall work with Logan 2000 engineers and consultants to identify and assist in the implementation of energy saving projects, and shall provide design review of engineered plans and specifications. The identification and recommendation of energy efficient equipment and other alternative methods during the design process shall be performed on both projects managed under this agreement and by consultants hired directly by Massport.

II. DSM OPPORTUNITIES

Edison shall work with Massport to implement the projects listed in Table 1 by offering financial and consulting services as set forth above. A summary of the DSM Opportunities is included in Table 1 and detailed below.

A. Electric Chiller Upgrade

Edison shall supply, install and/or finance the purchase and installation of new high efficiency electric chiller(s) rather than standard efficiency chiller(s). Improvement in chiller efficiency will result in estimated annual savings of 450,000 kWh and \$27,000.

B. Replacing steam turbine driven chillers with high efficiency electric chillers.

Edison shall supply, install and/or finance the purchase and installation of high efficiency electric chillers to replace the steam turbine driven chillers. An estimated annual net savings

of \$75,000 will result. Additional savings will result from reduced condenser water requirements.

C. Cooling Tower Fan Variable Speed Drives

Edison shall supply, install and/or finance the purchase and installation of variable speed drives and associated controls on the new cooling towers. Annual savings resulting from the installation is estimated to be 380,000 kWh and \$23,000.

D. Variable Speed Drives for Boiler Forced Draft Fans

Edison shall supply, install and/or finance the purchase and installation of variable speed drives on the forced draft fans and associated controls on Boiler No. 2 and 3. Annual savings resulting from the installation is estimated to be 240,000 kWh and \$15,000.

Distribution System Opportunities

Energy Management System Upgrade

Edison shall upgrade the existing Carrier/UTC Energy Management System that controls the Logan Terminal Building Lighting, HVAC, and other systems and shall upgrade the existing Logan Central Heating Plant Boiler and Chiller Control Systems. Edison shall supply, install and/or finance the purchase and installation of a new Energy Management System and a new Central Heating Plant Boiler and Chiller Control System.

E. High Temperature Hot Water System Expansion

Edison shall effect or finance the conversion from steam heat to HTHW in those buildings for which Massport determines conversion would be cost effective (i.e., during terminal renovation). Total potential annual savings associated with this project are estimated to be 100,000 to 200,000 MMBtu and \$325,000 to \$625,000.

F. Chilled Water System Variable Speed Pumping

Edison shall upgrade the chilled water system to a variable volume configuration, which shall include installation of variable speed drives on the primary chilled water pumps, installation of secondary pumps to serve the terminal chilled water loops, reconfiguration of piping systems, replacement of three-way valves with two-way valves at the air handling units, and controls. Annual savings for this project are estimated to be 1 million kWh and \$60,000.

Opportunities in Existing Facilities

G. Pre-Conditioned Air Systems (PCAs)

Edison shall supply, install and/or finance the purchase and installation of PCA systems at central or gate locations. Initial estimates indicate more than 70 gates are candidates for PCAs. The estimated annual energy and maintenance savings for this project is \$290,000.

H. Lighting

Edison shall retrofit five basic types of existing fixture conditions to produce energy and maintenance savings.

- . Fluorescent fixtures with standard T-12 (40-watt) lamps and standard magnetic ballasts
- . Incandescent high hat can fixtures
- . Interior mercury vapor fixtures
- . Exit signs with incandescent lamps
- . Fluorescent fixtures at the Logan Office Center and Black Falcon buildings which contain energy saving 34-watt energy savings lamps and energy efficient magnetic ballasts.

Terminal A

Edison shall retrofit all fluorescent fixtures with T8 lamps and electronic ballasts and all incandescents with halogen lamps.

Terminal C

Edison shall retrofit all fluorescent fixtures with T8 lamps and electronic ballasts.

Terminal D

Edison shall retrofit all two-lamp troffers with T8 lamps and electronic ballasts.

Terminal E

Edison shall retrofit one fixture type, a four foot, two-lamp industrial shade, with two T8 lamps and one electronic ballast.

Central Parking

Edison shall retrofit the one-lamp wrap fixtures on the walkway to central parking with T8 lamps and electronic ballasts, and shall convert the exiting incandescent exit signs to new LED signs.

Black Falcon Terminal

Edison shall retrofit all fluorescent fixtures with T8 lamps and electronic ballasts.

Moran Terminal

Edison shall retrofit all four foot, four-lamp recessed troffer with T8 lamps and electronic ballasts; and in the C&D Shed shall replace all 1000 watt mercury vapor high bay fixtures with 400 watt high pressure sodium lamps when the existing lamps burn out.

Logan Office Center

Edison shall retrofit all: four-lamp recessed troffers with T8 lamps and electronic ballasts; exit signs with incandescent lamps with new LED; and existing incandescent lamps with compact fluorescent technology.

General Aviation Terminal

Edison shall retrofit all four foot, two, three and four lamp, two foot and two lamp fixtures with T8 lamps and electronic ballasts; and exit signs with kits as applicable.

J. Power Factor

Edison shall supply, install and/or finance the purchase and installation of capacitors and other appropriate devices to improve the power factors at the Conley and Moran Terminals.

TABLE 1

DSM Opportunity	Installed Cost* (Thousands of Dollars)
Electric Chiller Upgrade	\$200
Steam Chiller Replacement	900
Cooling Tower VSDs	75
Boiler Forced Draft Fan VSDs	35
High Temperature Hot Water	2,660
Chilled Water Variable Speed P	605
Pre-Conditioned Air	1,600
Lighting	325
Power Factor Correction	85
Energy Management System Upgrade	--
TOTAL COST	\$6,485

*These are estimated costs.

TABLE 2

Payment for DSM

For each DSM measure which Massport selects for implementation, Massport will pay Edison a monthly carrying charge beginning with the first full calendar month following completion of the installation. The monthly carrying charge will be paid each month through the end of the contract term. The amount of the monthly charge for each measure will be determined using the following formula:

$$\text{Payment} = \text{Cost} \times \frac{.005}{1-(1.005)^n}$$

where:

- | | |
|---------|-----------------------------------------------------------------------------------------------------------------------------|
| Payment | is the monthly payment to Edison |
| Cost | is the total actual installed cost of the particular DSM measure as verified by Massport |
| n | is the number of months between the completion of the DSM installation and the termination of the power purchase agreement. |

ATTACHMENT C

Interruptible Contract for Massport

Test once per season to verify that load is available for interruption. Test will be for one hour with one day notice.

Seasonal interrupted demand revised each year based on test results.

Summer season June 1 to September 30.

Winter season October 1 to May 31.

A credit of \$5.00 per kW of summer tested interruptible demand will be credited to Massport billing once a year even if Massport has not been called to participate in an interruption.

A credit of \$7.50 per kW of summer tested interruptible demand for each time Massport is called during the summer period.

A credit of \$2.50 per kW of winter tested interruptible demand for each time Massport is called during the winter period.

If actual interruption is less than 95 % of tested amount, interruption credit will be prorated based on actual interruption for that month and future credits will be based on actual interruption or until future test results are available.

If actual interruption is greater than 130% of tested amount, interruption credit will be prorated based on actual interruption for that month and future credits will be based on actual interruption or until future test results are available.

If Massport refuses to participate in an interruptible situation, credits will be stopped and no further credits will be available for one year from that date. Massport must then retest to continue to participate for future credits.

If Massport refuses to participate in an interruptible situation for a second time, all credits will be stopped and no further credits will be available unless Edison initiates continuing the interruptible credit contract.

If Massport can not provide an interruption due to equipment or other unforeseen circumstances, Massport must notify Edison by phone or fax and in writing stating the duration of the unavailability of the interruptible load. The credit to Massport will be prorated until the interruptible load is available for interruption. Massport must notify Edison by phone or fax and in writing stating when the interruptible load will be available

again. The credit for that billing period will be prorated reflecting the availability of interruptible load.

ATTACHMENT D

In accordance with policies adopted by the Massachusetts Port Authority, Edison further agrees with respect to its exercise of all uses, rights, privileges and obligations granted or required herein as follows:

1. Edison shall not discriminate by segregation or otherwise against any person, employee or applicant for employment because of race, color, creed, national origin, age, sexual orientation, handicap or Vietnam era veteran status and shall undertake affirmative action measures designed to guarantee and effectuate equal employment opportunity for all persons.
2. Edison will provide all information and reports pertinent to the Authority's Equal Employment, Anti-Discrimination and Affirmative Action requirements requested by the Authority and will permit access to its facilities and any books, records, accounts or other sources of information which may be determined by the Authority to affect the Edison's obligation herein.
3. Edison shall comply with all federal and state laws and Authority regulations pertaining to Civil Rights and Equal Opportunity, including executive orders and rules and regulations of appropriate federal and state agencies unless otherwise exempt therein.
4. Edison's non-compliance with the provision of this Exhibit shall constitute a material breach of this Agreement, for which the Authority may, in its discretion, upon failure to cure said breach within thirty (30) days of written notice thereof, terminate this Agreement upon ten (10) days written notice.
5. Edison shall indemnify and hold harmless the Authority from any claims and demands of third persons resulting from Edison's non-compliance with any of the provisions of this Exhibit and in case of termination or cancellation of this Agreement pursuant to Paragraph 4, the Edison shall indemnify the Authority during the remainder of the original term against any loss or damage suffered by reason of such termination.

ATTACHMENT E

CERTIFICATE OF COMPLIANCE WITH LAWS

Massachusetts Employment Security Law

Pursuant to G.L.c. 151A, §19A(b), the undersigned hereby certifies* under the penalties of perjury that Edison, with D.E.T. ID Number 008 12550, has complied with all laws of the Commonwealth relating to unemployment compensation contributions and payments in lieu of contributions.

*Compliance may be certified if Edison has entered into and is complying with a repayment agreement satisfactory to the Commissioner, or if there is a pending adjudicatory proceeding or court action contesting the amount due pursuant to G.L.c. 151A, §19A(c).

or check the following:

 The undersigned certifies that the Massachusetts Employment Security Law does not apply to it because Edison does not have any individuals performing services for it within the Commonwealth to the extent that it would be required to make any contributions or payments to the Commonwealth.

Massachusetts Child Care Law

Pursuant to Chapter 521 of the Massachusetts Acts of 1990, as amended by Chapter 329 of the Massachusetts Acts of 1991, the undersigned hereby certifies that Edison (please check applicable item):

1. employs fewer than fifty (50) full-time employees; or
2. ✓ offers either a dependent care assistance program or a cafeteria plan whose benefits include a dependent care assistance program; or
3. offers child care tuition assistance, or on-site or near-site subsidized child care placements.

Revenue Enforcement and Protection Program

Pursuant to G.L.c. 62C, §49A, the undersigned hereby certifies that Edison's Social Security or Federal Identification No. is 04-127-8810 and that to the best of his/her knowledge and belief Edison has filed all state tax returns and paid all state taxes required by law.

or check the following:

The undersigned certifies that the Massachusetts Revenue Enforcement and Protection Program does not apply to it because Edison does not derive taxable income from Massachusetts Sources such that it is subject to taxation by the Commonwealth.

Signed this ____ day of _____, 19____.

BOSTON EDISON COMPANY

Authorized Signature: _____

Title: _____

FILED
OFFICE OF THE SECRETARY

BRUDER, GENTILE & MARCOUX

1100 NEW YORK AVENUE, N. W.
SUITE 510 EAST
WASHINGTON, D. C. 20005-3934

(202) 783-1350
TELECOPIERS (202) 787-9117
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E-MAIL: brugen@ix.netcom.com

GEORGE F. BRUDER
CARMEN L. GENTILE
ALBERT R. SIMONDS, JR.
J. MICHEL MARCOUX
DAVID E. GOROFF

GARY E. GUY
JAMES H. MCGREW
THOMAS L. BLACKBURN
ARLENE PLANKO GRONER
CHERYL L. BELKOWITZ

May 20, 1996

The Honorable Lois D. Cashell
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: *Boston Edison Company,*
Rate Schedule FERC No. 186
Docket No. ER96-1161-000

Dear Ms. Cashell:

Boston Edison encloses herewith a substitute for page 1 of its contract with the Massachusetts Port Authority. The substitute page 1 is exactly the same as the original page 1 except that the execution date is filled in. This filing does not have any effect on rates, terms or conditions of service. Also attach are a list of recipients of these materials and a form of notice.

Very truly yours,



Carmen L. Gentile
Counsel for Boston Edison Company

CLG:cdr
Attachments
cc: List of Recipients

**ALL REQUIREMENTS BULK POWER SUPPLY CONTRACT
AND SERVICE AGREEMENT BY AND BETWEEN
BOSTON EDISON COMPANY AND THE MASSACHUSETTS PORT AUTHORITY**

This Agreement is made as of this 1st day of February, 1996 (the "Execution Date"), by and between Boston Edison Company, a Massachusetts corporation having offices at 800 Boylston Street, Boston, Massachusetts ("Edison"); and the Massachusetts Port Authority ("Massport"), a public authority and body politic and corporate of the Commonwealth of Massachusetts, created and existing under the provisions of Massachusetts Special Laws Chapter 465 of the Acts of 1956, as amended ("Enabling Act").

Whereas, among the activities of Massport is the responsibility for the management, operation, maintenance and development of its projects and of Facilities described herein, which management includes the purchase of electric power and the operation and maintenance of the electrical transformation, distribution, metering, and billing systems serving the entire electric power load at all the Facilities;

Whereas, Massport has made significant investment in the design, construction and maintenance of equipment for the transformation, distribution and delivery of electricity at its various projects, including the Facilities described herein;

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Boston Edison Company

)

Docket No. ER96-1161-000

NOTICE OF FILING

Take notice that Boston Edison Company of Boston, Massachusetts, on May 20, 1996, submitted a substitute for page 1 of its contract with the Massachusetts Port Authority (Boston Edison Company Rate Schedule FERC No. 186). The substitute page 1 contains a filled-in execution date. The filing has no effect on rates or terms and conditions of service.

Boston Edison states that it has served copies of this filing upon the affected customer and the Massachusetts Department of Public Utilities.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR §385.211 and 18 CFR §385.214). All such motions or protests should be filed on or before _____, 1996. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commisison and are available for public inspection.

Lois D. Cashell
Secretary

LIST OF RECIPIENTS

D.T.E. 04-113
Attachment DTE-1-12(a)
Page 46 of 46

Ira Wallach, Esquire
Law Department
Massachusetts Port Authority
10 Park Plaza
Fourth Floor
Boston, MA 02116-8971

Kenneth M. Barna, Esquire
Rubin & Rudman
50 Rowes Wharf
Suite 300
Boston, MA 02110-3319

Ms. Mary L. Cottrell
Executive Secretary
Massachusetts Department of
Public Utilities
12th Floor
100 Cambridge Street
Boston, MA 02202

Wayne R. Frigard, Esquire
Assistant General Counsel
Legal Department - P361
Boston Edison Company
800 Boylston Street
Boston, MA 02199-2599

Ms. Barbara J. Morton
Office of Electric Power Regulation
Route ER-12.1, Room 62-23
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Ms. Kathleen Neiman
Office of Electric Power Regulation
Route ER-12.1, Room 63-11
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

D.T.E. 1-12(b)

CONTRACT DEMAND
AGREEMENT

DATE: August 2, 1993

BETWEEN: BOSTON EDISON COMPANY

AND

TOWN OF BRAINTREE ELECTRIC LIGHT DEPARTMENT

CONTRACT DEMAND
AGREEMENT

THIS CONTRACT DEMAND AGREEMENT ("Agreement") dated as of August ?, 1993, by and between BOSTON EDISON COMPANY (hereinafter called "Seller"), and the TOWN OF BRAINTREE ELECTRIC LIGHT DEPARTMENT, a Massachusetts municipal electric department operating under G.L. c.164 (hereinafter called "Buyer").

WITNESSETH:

WHEREAS, Seller is an electric utility operating in Massachusetts and selling power at retail and wholesale;

WHEREAS, Buyer is seeking to secure through purchases economical and reliable sources of power supply for ultimate use by the inhabitants of the Town of Braintree, Massachusetts, which are served by Buyer in accordance with M.G.L. c.164;

WHEREAS, Buyer solicited bids for capacity and related energy and Seller responded to such solicitation with a bid;

WHEREAS, Seller and the Buyer are participants in the New England Power Pool ("NEPOOL") and as such are subject to the terms and conditions of the NEPOOL Agreement dated as of September 1, 1971, as amended (the "NEPOOL Agreement"); and

WHEREAS, the parties hereto desire to provide for the terms and conditions pursuant to which Seller will sell to Buyer and Buyer will purchase from Seller capacity and related energy from Seller's system as Contract Demand during the term of this

Agreement.

NOW, THEREFORE, in consideration of the promises and of the mutual agreements herein contained, the parties to this Agreement covenant and agree as follows:

Article 1. Term

a. This Agreement shall be effective upon acceptance for filing by the Federal Energy Regulatory Commission ("FERC"). The Term of this Agreement shall commence at 0001 hours on November 1, 1994, and end at 2400 hours on October 31, 2004, unless terminated earlier in accordance with the provisions of this Agreement. Upon the expiration of the Term of this Agreement, Seller shall have no continuing obligation to serve the Buyer.

b. The applicable provisions of this Agreement shall continue in effect after termination hereof to the extent necessary to provide for accountings, final billing, billing adjustments, resolution of any billing dispute, resolution of any court or administrative proceeding and payments.

c. The parties shall utilize their best efforts to obtain FERC's acceptance for filing of this Agreement.

Article 2. Sale and Purchase of Base and Intermediate Contract Demand Capacity

a. Seller shall sell to Buyer and Buyer shall purchase from Seller base and intermediate load electrical Contract Demand

Service in the kilowatt quantities set forth in the column
Scheduled Purchase in Schedule I to this Agreement, and such
related electrical energy as is dispatched under the terms of
Article 4 hereof and delivered pursuant to Article 3 hereof. The
Seller, in providing the Contract Demand kilowatt quantities set
forth in Schedule I, as may be adjusted by Buyer pursuant to this
Article 2, shall be providing firm power to Buyer. The Contract
Demand kilowatt quantities delivered to Buyer shall reduce
Buyer's load for purposes of calculating Buyer's Capability
Responsibility, including reserves, under the NEPOOL Agreement.
A corresponding addition will be made to Seller's load for
purposes of calculating Seller's Capability Responsibility,
including reserves, under the NEPOOL Agreement. Nothing in this
Agreement shall permit Seller to make sales to Buyer's retail
customers.

b. Notwithstanding the foregoing provisions of this
Article 2, the amount of electrical Contract Demand capacity and
related energy to be purchased and sold, as specified in Schedule
I, may be adjusted as follows:

- (i) Buyer shall have the right with respect to each of
the Power Years during the period commencing on
November 1, 1994, and ending October 31, 1999,
upon at least six (6) months notice to Seller in
advance of a specified Power Year, to purchase
electrical capacity and related energy during such
Power Year which is up to thirty percent (30%)

more than the amount of base and intermediate load Contract Demand capacity listed under the column Scheduled Purchase in Schedule I for such Power Year. The maximums for such purchases for the Power Years 1994 through 1998 are set forth in Schedule I under the column Maximum Purchase.

- (ii) Buyer shall have the right with respect to each of the Power Years during the period commencing on November 1, 1999 and ending on October 31, 2004, upon at least six (6) months notice to Seller in advance of a specified Power Year, to purchase electrical capacity and related energy during such Power Year which is up to ten percent (10%) more than the amount of base and intermediate load Contract Demand capacity listed under the column Scheduled Purchase in Schedule I for such Power Year. The maximums for such purchases for the Power Years 1999 through 2003 are set forth under the column Maximum Purchase in Schedule I.

- (iii) Buyer may limit its purchase under this Agreement so that Buyer's purchase of electric capacity and related energy for each Power Year, plus Buyer's existing capacity entitlements and contracts from other sources of supply as of June 1, 1993, as set forth in Schedule V, do not exceed Buyer's NEPOOL Capability Responsibility for each Power Year. In

order to achieve this limitation, Buyer shall have the right to reduce the amount of electrical capacity and related energy otherwise to be purchased in accordance with Schedule I or as adjusted pursuant to Article 2(b)(i) and 2(b)(ii) to an amount not less than the Minimum Purchase Amount, as defined in Schedule VII, by providing Seller with notice of such reduction at least thirty (30) days prior to the commencement of the Power Year for which the reduction is to be made. Such notice shall also include Buyer's derivation of the amount of reduction specified in the notice and shall identify any known reductions in load on Buyer's system for such Power Year. The terms "Power Year" and "Capability Responsibility" shall have the same meaning as they have under the NEPOOL Agreement. The Buyer's existing capacity entitlements and contracts are set forth in Schedule V of this Agreement.

- (iv) Notwithstanding the foregoing provisions in Article 2(b)(iii) and the definition of Minimum Purchase Amount in Schedule VII, the Buyer shall have the obligation to purchase from Seller no less base and intermediate Contract Demand capacity and related energy than the amount set forth under the column Minimum Purchase in

c. Buyer shall have the additional right to reduce the amount of electrical capacity and related energy purchased, as specified in Schedule I, Scheduled Purchase Amounts, by an amount of twenty (20%) percent per Power Year for each Power Year during the period commencing November 1, 1999, and ending October 31, 2004 by furnishing Seller with two (2) years notice in advance of the effective date of such annual reduction; provided, however, that in the event that such a notice of reduction is not furnished for effect as of November of a prior Power Year, Buyer shall have the right to cumulatively reduce the amount of electrical capacity purchased as specified in Schedule I, the Scheduled Purchase Amounts, upon furnishing a notice of reduction; i.e., if no notice of reduction is given for effect as of November 1, 1999, Buyer may give notice of reduction of electrical capacity purchased by forty (40%) percent effective as of November 1, 2000.

- (i) Notwithstanding the foregoing provisions of this Article 2(c), the Buyer cannot reduce the purchase of base and intermediate Contract Demand capacity and related energy to less than the kW set forth under the column Minimum Purchase in Schedule I for the Power Years 1999 through 2003, respectively.

d. Subject to any increases or reductions in electrical capacity purchased by Buyer in accordance with the preceding

paragraphs of this Article 2, the Buyer shall have the load reduced for such amounts of base and intermediate load electrical capacity Contract Demand actually purchased in the determination by NEPOOL of Buyer's NEPOOL Capability Responsibility.

e. Any such adjustments or reductions in the amount of electrical capacity and related energy to be purchased, as allowed Buyer under this Article 2, shall not change the Contract Demand Capacity Charge rate and Contract Demand Energy Charge formula set forth in Schedules II and III, respectively, of this Agreement.

Article 3. Transmission and Delivery

444/5,260 s.e.

a. Seller shall be responsible for the transmission of the electrical capacity and related energy purchased by Buyer under this Agreement to the Points of Delivery specified in Schedule VI of this Agreement. The Seller shall provide such transmission to the Points of Delivery on the border of its system and Buyer's system as firm delivery service of the type necessary to assure Buyer with having the capacity in Schedule I so that NEPOOL requirements are met in adjusting the Buyer's Capability Responsibility, and any adjustments thereto, made by Buyer pursuant to this Agreement. The Seller's charges for transmitting the capacity and related energy to the Delivery Points under this Agreement are included in the fixed and set Contract Demand Capacity Charge rates set forth in Schedule II of

this Agreement. Buyer shall be responsible for all transmission service from the Point or Points of Delivery to Buyer's system.

b. Any change in New England regional transmission agreements shall not affect and cannot increase the Contract Demand Capacity Charge rate and the Contract Demand Energy Charge formula set forth in Schedules II and III, respectively, of this Agreement for the electrical capacity and related energy delivered to the Points of Delivery by the Seller to the Buyer.

Article 4. NEPOOL Dispatch

Electrical energy to be delivered under this Agreement will be dispatched, and the amount of base and intermediate load Contract Demand energy delivered by Seller to Buyer, shall be determined under the terms of the NEPOOL Agreement or such other superseding agreement containing such provisions to which Seller and Buyer are each a party. NEPOOL dispatch shall be based upon Buyer's own load dispatch, unless the NEPOOL Agreement or such superseding agreement provides otherwise. The estimated energy price given to NEPOOL by Seller for purposes of Buyer's own load dispatch shall be based on the same definition as the Energy Charge Rate for the base and intermediate load Contract Demand related energy as determined in accordance with Schedule III of this Agreement. Electrical energy will be made available to Buyer in the NEPOOL own load dispatch in accordance with the

methodology specified in this Article 4 and in Schedule I of this Agreement.

Article 5. Payment

For, and in consideration of, the sale and delivery by Seller to Buyer of base and intermediate load Contract Demand capacity and related energy in accordance with the terms of this Agreement, Buyer shall pay monthly to Seller during the Term of this Agreement the sum of the following charges as calculated below:

a. Base and Intermediate Load Contract Demand Capacity Charges - The base and intermediate load Contract Demand Capacity Charge for any calendar month shall be the product of (A) the amount of system base and intermediate load Contract Demand electrical capacity (expressed in kW) which is set forth in Schedule I, as may be adjusted pursuant to Article 2 hereof, for which Buyer's load is decreased in determining Buyer's NEPOOL Capability Responsibility and (B) the fixed base and intermediate load Contract Demand Capacity Charge rate for the applicable monthly period as listed in Schedule II hereof.

The fixed and set Contract Demand Capacity Charge rates set forth in Schedule II of this Agreement cannot be unilaterally changed or requested to be changed by the Buyer or Seller during the Term of this Agreement. Nothing in the preceding sentence shall preclude the parties from amending this Agreement in

accordance with Article 19 hereof.

b. Base and Intermediate Load Contract Demand Energy

Charge - The base and intermediate load Contract Demand Energy

Charge for any calendar month shall equal the product of

(i) the number of system base and intermediate load kilowatt-hours of electrical energy delivered by Seller to Buyer at the Points of Delivery hereunder pursuant to Article 4 hereof during that month; and

(ii) the base and intermediate load Contract Demand Energy Charge rate applicable to that month, as set forth in Schedule III hereof.

The base and intermediate load Contract Demand Energy Charge rate formula set forth in Schedule III of this Agreement cannot be unilaterally changed or requested to be changed by the Buyer or the Seller during the Term of this Agreement. The base and intermediate load Contract Demand Energy Charge shall only contain the cost of fuel as set forth in Schedule III of this Agreement. Nothing in the preceding sentences of this paragraph shall preclude the parties from amending this Agreement in accordance with Article 19 hereof.

Article 6. Billing

a. Seller shall submit a bill for all applicable charges to Buyer as soon as practicable after the end of each calendar

month during the Term of this Agreement. The bill shall be in a form attached hereto as Schedule IV and include information in such reasonable detail as to enable the Buyer to determine the basis for the charges for such month.

b. Each bill rendered under this Agreement shall be subject to adjustment for the true-up of estimated to actual charges as set forth in Article 7 hereof and for any errors in accounting, arithmetic, computation, meter readings, estimating, or otherwise. All bills, including any adjusted bills, shall bear the date of rendering, be delivered in accordance with Article 16 of this Agreement and be due and payable on the date of rendering. Interest shall not be due if payment by Buyer is made by the thirtieth day (or the first business day thereafter if the thirtieth day is not a normal business day) following the date on which the bill is rendered. Payment can be accomplished in one of two ways:

- (i) The Buyer may make a wire transfer or a transfer by other electronic means to the Seller's account by noon of the thirtieth day; or
- (ii) The Seller shall receive a check by noon of the business day immediately preceding the thirtieth day.

Any amount remaining unpaid after thirty (30) days from the date of rendering shall bear interest at the annual rate of one (1) percentage point over the then current interest rate on prime commercial loans at the Bank of Boston, or such other lending institution as may be Seller's primary commercial lender from

time to time during the period, from the due date to the date of
payment by Buyer.

c. If the Buyer, in good faith, disputes the amount of any bill, it shall act in good faith to itemize the basis for its dispute in a written notice to Seller. The Buyer shall pay to Seller the total bill when due, including any disputed amount, if the bill is disputed prior to payment. Seller shall promptly refund any portion of the disputed bill found to be improper. The Buyer shall not have the right to challenge any monthly bill or to bring any court or administrative action of any kind questioning the propriety of any bill after a period of one (1) year from the date the bill was rendered; provided, however, that in the case of a bill based on estimates, the Buyer shall not have the right to make such challenge or bring such actions after a period of one (1) year from the date of the rendering of the bill, as adjusted to reflect the actual amount due.

d. In no event shall Buyer be obligated to pay for (i) electrical capacity for which Buyer's load is not reduced for purposes of calculating Buyer's NEPOOL Capability Responsibility, including reserves under the NEPOOL Agreement or (ii) electrical energy not delivered to the Points of Delivery. If Buyer's Contract Demand capacity cannot be included in the calculation of Buyer's NEPOOL Capability Responsibility as a result of a change in NEPOOL's rules concerning the concept of Capability Responsibility or NEPOOL's ceasing to exist, the Buyer shall be obligated to pay only for the Contract Demand capacity delivered

to the Delivery Point.

Article 7. Estimates and Adjustments

a. Pending the availability of actual data, computations by Seller of base and intermediate load Contract Demand Energy Charges for the purposes of billings hereunder may be based upon estimates made by Seller. Any bill which is computed in whole or part on the basis of estimates shall expressly state that it is based upon estimates and the estimated components shall be identified.

b. Seller may make adjustments to any billing for a period of up to twelve (12) months from the date of such original billing in order to reflect differences in base and intermediate load Contract Demand Energy Charges from Seller's receipt of more current data. Buyer may dispute such adjustments in accordance with Article 6 of this Agreement. Seller shall make additional adjustments to such Contract Demand Energy Charge billings after the twelve (12) month period to the extent such adjustments are required based upon final resolution of any claim, action, or proceeding that is based upon data contained in an original billing and that is formally initiated by, or noticed to Seller prior to, the end of the twelve (12) month period following the date of such original billing or true-up of such billing. Seller shall promptly provide notice to Buyer of any such claim, action, or proceeding it becomes aware of, and include in such notice

Seller's estimate of the potential impact of any such action, or proceeding upon billed amounts. Buyer may dispute any such additional adjustments in accordance with Article 6 of this Agreement. For purposes of this Article 7, adjustments to such Contract Demand Energy Charges shall not include any changes in the definition of such Contract Demand Energy Charges under Article 5 or Schedule III of this Agreement.

c. Notwithstanding the time limitations set forth in Article 7.b. above, the Seller shall be permitted to make additional adjustments to such Contract Demand Energy Charge billings if such adjustment is the result of an adjustment made to Seller's costs by NEPOOL, the FERC or some comparable agency or body. Such adjustments cannot include any changes in the definition of Contract Demand Energy Charges under Article 5 or Schedule III of this Agreement. If Seller makes any such adjustment, Buyer shall have the right to dispute such additional adjustment under the same terms as set out in Article 7.b. above as if Seller's adjustment had been made within twelve (12) month period provided for in said Article 7.b. From the time Seller makes any such adjustment, the Buyer shall have the right to dispute such adjustment within the time frames set forth in Articles 6 and 7.b.

Article 8. Liability for Delivery

Subject to Force Majeure, as defined in Article 9 of this

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Agreement, the Buyer agrees that Seller's obligations for delivery of electrical capacity and related energy under this Agreement shall be limited to delivery to the Points of Delivery in accordance with Article 3 of this Agreement.

Article 9. Force Majeure

a. As used in this Agreement, "Force Majeure" means any cause beyond the reasonable control of, and without the fault or negligence of, the party claiming Force Majeure. It shall include, without limitation, sabotage, strikes, riots or civil disturbance, acts of God, act of public enemy, drought, earthquake, flood, explosion, fire, lightning, landslide, or similarly cataclysmic occurrence. Economic hardship of either party shall not constitute a Force Majeure under this Agreement.

b. If either party is rendered wholly or partly unable to perform its obligations under this Agreement because of Force Majeure as defined above, and subject to the provisions of Article 2 of this Agreement, that party shall be excused from whatever performance is affected by the Force Majeure, to the extent so affected, provided that:

- (i) The nonperforming party promptly, but in no case longer than five working days after the occurrence of the Force Majeure, gives the other party written notice describing the particulars of the occurrence;

- (ii) The suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure; and
- (iii) The nonperforming party uses reasonable efforts to remedy its inability to perform; provided, however, that if the Force Majeure is the inability of Buyer to obtain or retain transmission service needed to transmit electrical capacity and related energy from the point of delivery to Buyer's service area, Buyer shall use its reasonable efforts to remedy its inability to perform and Seller shall assist Buyer in such reasonable efforts.

c. In the event that Force Majeure continues for a period in excess of twelve (12) months, then either party shall have the right to terminate this Agreement by notifying the other party at least thirty (30) days in advance of the date of termination specified in such notice.

Article 10. Regulatory Review

a. Seller shall no later than May 1, 1994, file this Agreement with FERC requesting acceptance thereof in accordance with applicable regulations. Buyer agrees to not oppose such filing and to support such filing if requested by Seller. Should the FERC or any other reviewing agency with regulatory authority

over this Agreement modify, condition or otherwise restrict this Agreement in connection with the initial filing thereof with such agency and such modification, condition or restriction materially adversely affect either party, unless the parties agree to such modification, condition or restriction, the party so affected shall have the right within sixty (60) days of a final order containing such modification or restriction to terminate this Agreement without penalty.

b. In connection with the cost of fuel charged to the Buyer under this Agreement, the Buyer shall have the right to file with the FERC a complaint under Section 206 of the Federal Power Act to contest the justness and reasonableness of any costs incurred by the Seller or cost calculation made by the Seller and used to determine the cost of fuel. Buyer and Seller may initiate and intervene in other FERC proceedings to enforce the application of this Agreement in accordance with its terms. However, nothing contained in this Article 10.b shall give either party the unilateral right during the Term of this Agreement to seek to change either the Contract Demand Capacity Charge rates as set forth in Schedule II to this Agreement or the base and intermediate load Contract Demand Energy Charge Rate formula set forth in Schedule III of this Agreement.

Article 11. Assignment

This Agreement shall be binding upon and shall inure to the

benefit of, and may be performed by, the successors and assigns of the parties, except that no assignment, pledge or other transfer of this Agreement by either party shall operate to release the assignor, pledgor, or transferor from any of its obligations under this Agreement unless:

- (i) the other party or its successors or assigns consents in writing to the assignment, pledge or other transfer and expressly releases the assignor, pledgor, or transferor from its obligations hereunder, or
- (ii) the assignment, pledge or other transfer is to another company in the same holding company system as the assignor, pledgor or transferor and the assignee, pledgee or transferee that is capable of fulfilling, and expressly assumes, the obligations of the assignor, pledgor or transferor, or
- (iii) such transfer is incident to a merger or consolidation with, or transfer of all or substantially all of the assets of the transferor to another person or business entity that is capable of fulfilling and shall, as a part of such succession, assume all the obligations of the assignor, pledgor or transferor under this Agreement.

No assignment, pledge or transfer of this Agreement shall be made without the prior written consent of the other party, which

shall not be unreasonably withheld.

Nothing in this Article 11 shall be construed to prevent Buyer from reselling outside of its system the electrical capacity and related energy up to the greater of the Schedule VII Minimum Purchase Amount or the Schedule I Minimum Purchase. If the Buyer purchases more than the greater of the Schedule VII Minimum Purchase Amount or the Schedule I Minimum Purchase Amount, then for the Buyer to resell any electrical capacity and related energy up to the amount purchased from Seller under this Agreement, other than sales of less than one month in duration or an entitlement in one of the units set forth in Schedule V, the Buyer must first offer to Seller such amount of capacity and related energy at the prices set forth in this Agreement. If the Seller does not agree to purchase such capacity and related energy within thirty (30) days of the Buyer's offer, then the Buyer can resell such capacity and related energy. For Buyer's resales for durations of six months to one month, if the Seller does not agree to purchase such amounts of capacity and related energy within seven (7) days of the Buyer's offer, then Buyer can resell such capacity and related energy.

Article 12. Interpretation

The interpretation and performance of this Agreement shall be according to and controlled by the laws of the Commonwealth of Massachusetts.

Seller shall keep complete and accurate accounts and records with respect to its performance under this Agreement and shall maintain such data for a period of at least one (1) year after final billing; provided, however, that in the event of any billing dispute or pending accounting, Seller shall maintain all such accounts and records pertaining to any bill or charge in dispute or pending accounting until such later time as the billing dispute is resolved or the accounting is completed. If an accounting or billing dispute establishes that any bill submitted to and paid by Buyer was for an amount greater than properly chargeable under this Agreement, Seller shall refund to Buyer the excess amount collected. If such accounting or billing dispute establishes that any bill submitted to and paid by Buyer was for an amount less than properly chargeable under this Agreement, Buyer shall make such additional payment to bring its account into balance. The parties agree to individually and jointly request from NEPOOL or NEPEX or other appropriate source any data or information which either party believes is reasonably necessary for purposes of a requested accounting or resolution of a billing dispute. Unresolved disputes with respect to payments may be submitted by either party to the FERC for resolution and any refunds or payments ordered by FERC shall be made by Seller or Buyer in accordance with this Agreement. Buyer shall have the right, during normal business hours and upon reasonable notice to

the Seller, to examine, inspect and make copies of all such accounts and records insofar as may be necessary for the purpose of ascertaining the reasonableness and accuracy of all relevant data, estimates or statements of charges submitted to it hereunder. Any such copies shall be made at Buyer's expense.

Article 14. Liability

a. Neither Party nor any of its affiliates or their respective board members, officers, managers, employees or agents shall be liable to the other Party or any of its affiliates or their respective board members, officers, managers, employees or agents for claims for indirect, incidental or consequential damages connected with or resulting from performance or non-performance of this Agreement, including, without limitation claims in the nature of lost profits; and provided, further , that notwithstanding any other terms of this Agreement, Buyer's liability in tort shall not exceed its maximum liability under the Massachusetts Tort Claims Act, G.L. c.258, §§1, 2.

Article 15. Indemnification

a. Seller agrees to defend, indemnify and save Buyer, its board members, officers, managers, employees and agents harmless from and against any and all claims, suits, actions or causes of action for damage by reason of bodily injury, death or damage to

person or property caused by Seller and, its affiliates and their respective board members officers, managers, employees or agents or caused by its facilities, in each case in connection with or resulting from Seller's performance or non-performance of this Agreement except to the extent caused by an act of negligence or willful misconduct of Buyer or by a board member, officer, manager, agent or employee of Buyer, its successors or assigns.

b. Subject to the Massachusetts Tort Claims Act, G.L. c.258, §§1, 2, Buyer agrees to defend, indemnify and save Seller, its board members, officers, managers, employees and agents harmless from and against any and all claims, suits, actions or causes of action for damage by reason of bodily injury, death or damage to person or property caused by Buyer and, its affiliates and their respective board members officers, managers, employees or agents or caused by its facilities, in each case in connection with or resulting from Buyer's performance or non-performance of this Agreement except to the extent caused by an act of negligence or willful misconduct of Seller or by a board member, officer, manager, agent or employee of Seller, its successors or assigns.

Article 16. Notices

Any notice, demand, or request permitted or required under this Agreement shall be delivered in person, transmitted by electronic means with appropriate confirmation, or mailed by

certified mail, postage prepaid, return receipt requested, or otherwise confirm receipt to a party at the applicable address set forth below.

To Buyer:

General Manager
Braintree Electric Light Department
44 Allen Street
Braintree, Massachusetts 02184

To Seller:

Manager, Wholesale & Customer Generation
Boston Edison Company
800 Boylston Street
Boston, Massachusetts 02199

Such addresses may be changed from time-to-time by written notice by either party to the other party. Such changes in addresses shall not constitute an amendment to this Agreement.

Article 17. Buyer's Obligations

The obligations of Buyer created by or arising out of this Agreement shall not constitute a general obligation or loan of credit of the Town of Braintree, or a charge against such Town's general credit or taxing powers within the meaning of any constitutional or statutory provisions, and shall be payable solely from the electric operating revenues of the Buyer.

a. Each party shall prepare, execute, and deliver to the other party any documents reasonably required to implement any provision hereof.

b. Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as the original.

c. Failure of either party to enforce any provision of this Agreement or to require performance by the other party of any of the provisions hereof shall not be construed as a waiver of such provisions or affect the validity of this Agreement, any part hereof, or the right of either party to thereafter enforce each and every provision.

Article 19. Amendments

This Agreement may be amended only by a written agreement signed by the parties.

Article 20. Complete and Full Agreement

This Agreement constitutes the entire agreement pertaining to Buyer's purchase of Contract Demand kilowatt quantities and related energy from Seller and supersedes all previous offers, negotiations, discussions, communications and correspondence

regarding such purchase.

Article 21. Notice of Termination

a. Upon expiration of the Term of this Agreement, as set forth in Article 2, Buyer will not oppose and, if Seller requests, Buyer will support, any Notice of Termination which Seller may be required to file under FERC regulations.

b. In the event this Agreement is terminated prior to October 31, 2004 nothing in this Article 21 shall be construed to prevent Buyer from contesting whether the Agreement has been terminated in accordance with its terms.

Article 22. New Taxes

a. In the event that on or after November 1, 1993, Seller is required by Federal or State law to charge and collect from Buyer taxes (not including State or Federal income taxes or taxes on fuel purchased and consumed) specifically related to the sale of electric energy under this Agreement, the parties shall consult as soon as practicable in order to arrive at a mutually acceptable methodology for Seller's charging and collection of such taxes. Such consultations shall also address whether any exemptions from such taxes are applicable and what steps may be taken to determine the applicability of any such exemptions. The Seller shall not charge the Buyer for taxes for which the Buyer

is exempt.

b. Upon mutual agreement of the parties, an amendment of this Agreement may be made in accordance with Article 19 hereof and applicable FERC filing requirements.

c. In the event that the parties are unable to agree to and file with the FERC such amendment within sixty (60) days after their initial consultations under Article 22(a), then Seller shall have the right to unilaterally file an amendment with the FERC under Section 205 of the Federal Power Act and Buyer shall have all rights under the Federal Power Act to contest the substance of such amendment and its effective date. This amendment shall be limited only to taxes specifically charged to and paid by Seller in the specific sale of electricity under this Agreement to Buyer.

d. The parties further agree that until an amendment to this Agreement is effective, Seller shall not charge or collect from Buyer such taxes; provided, however, Seller shall have the right to defer on its books an amount which it believes is chargeable to Buyer for such taxes. Once an amendment is effective, Seller shall be entitled to charge Buyer for such deferred tax amount as would be properly chargeable to Buyer under the terms of the amendment had the amendment been effective during a prior time period in which Seller was obligated by law to charge and collect from Buyer such taxes. Buyer shall have the right to challenge the propriety of any such deferred tax amount charged by and payable to Seller. Charges for such

deferred tax amount shall be payable ratably by Buyer to Seller without interest, over a period of twenty four (24) months. If any such amendment becomes effective, subject to refund, any amount paid by Buyer, including any deferred tax amounts described above, shall be subject to refund.

e. To the extent allowed under Schedule III and Article 5(b), the Seller can charge the Buyer, as allowed under the FERC fuel accounts set forth in Schedule III, for taxes on fuel specifically purchased, consumed and charged to Seller in the specific sale of capacity and related energy to Buyer under this Agreement. The Buyer has the right to contest at FERC the charge of such taxes.

IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be signed by their respective duly authorized representatives as of the date first above written.

Seller: BOSTON EDISON COMPANY

By: 
Its: Vice President

Buyer: TOWN OF BRAINTREE LIGHT
DEPARTMENT

By: 
Its: General Manager

Schedule I
To
Contract Demand Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

Contract Demand Capacity Purchase Amounts

<u>Power Year beginning November 1</u>	<u>Minimum Purchase</u>	<u>Scheduled Purchase</u>	<u>Maximum Purchase</u>
1994	0.85 MW	1.70 MW	2.21 MW
1995	3.35 MW	6.70 MW	8.71 MW
1996	3.95 MW	7.90 MW -	10.27 MW
1997	5.25 MW	10.50 MW	13.65 MW
1998	6.55 MW	13.10 MW	17.03 MW
1999	7.85 MW	15.70 MW	17.27 MW
2000	9.15 MW	18.30 MW	20.13 MW
2001	10.55 MW	21.10 MW	23.21 MW
2002	11.85 MW	23.70 MW	26.07 MW
2003	13.30 MW	26.60 MW	29.26 MW

Schedule II
To
Contract Demand Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

Base and Intermediate Load Contract Demand Capacity Charge Rates

Power Year
Beginning
November 1

Base and Intermediate

1994	=	17.09/kW-mo.
1995	=	17.73
1996	=	18.40 -
1997	=	19.08
1998	=	19.78
1999	=	20.55
2000	=	21.36
2001	=	22.26
2002	=	23.21
2003	=	24.21

Schedule III
To
Contract Demand Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

Base and Intermediate Energy Charge Rate

A Base and Intermediate Energy Contract Demand Energy Charge shall be applied to each kilowatthour of electric energy supplied by Seller. This charge will be determined in accordance with the formula below, and shall be applied to all kilowatthours supplied by Seller during the billing month:

1. A Base and Intermediate Energy Charge shall be applied to each kilowatthour. This factor will be determined in \$/kwh to the nearest 7th place following the decimal point in accordance with the formula set forth below, and shall be applied to all kilowatthours supplied by the Company during the billing month.

$$P = (F/S) * L$$

Where,

P = Base and Intermediate Energy Charge in \$/kwh to be applied to each kilowatthour.

F = The cost of fossil fuel (Account #151) and the cost of nuclear fuel (Account #518) used in Seller's generating stations, plus Seller's share of the cost of fuels used in jointly owned or leased plants, plus identifiable fuel cost of purchased power, plus the net energy cost of NEPOOL energy services, and less the fuel cost recovered through inter-system sales and less the fuel costs from peaking units such as jets.

S = Net kilowatthours associated with fuel cost in the numerator.

L = Factor for adjustment of losses from the generator to the delivery voltage of 115 kV as determined annually and which is presently 1.02197.

2. The following description accompanies the Base and Intermediate Energy Charge provided for in the preceding subsection (1):

(a) The cost of fossil fuel at Seller's generating plants shall include those costs that originate in Account 151 as defined in 18 CFR Ch. 1, Pt. 101. These costs include but are not limited to the following: the invoice price of fuel, freight, switching, demurrage, other transportation

charges, and excise taxes.

(b) The cost of nuclear fuel at the Seller's Pilgrim nuclear generating plant shall be those costs that are expensed to Account 518 in accordance to 18 CFR Ch. 1, Pt. 101.

(c) The fuel cost of Seller's purchased power shall include only the actual identifiable fossil and nuclear fuel costs associated with energy purchased other than that identified in the following subsection (2)(d).

(d) The net energy cost of NEPOOL energy services include but are not limited to the following: net economy transactions, scheduled outage service, unscheduled outage service, deficiency service, NEPEX savings, Hydro Quebec savings, less the energy expense associated with Pilgrim off-site power station use.

(e) The fuel cost recovered through inter-system sales shall include the identifiable fossil and nuclear costs recovered through inter-system sales.

Schedule IV
To
Contract Demand Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

Sample Bill

BOSTON EDISON COMPANY

General Office 800 Boylston Street
Boston, Massachusetts 02199
Telephone: 617-424-2131
Tax I.D.# 04-1278810

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To: BRAINTREE ELECTRIC LIGHT DEPT.
ATTN: GENERAL MANAGER
44 ALLEN STREET
BRAINTREE, MA. 02184

Date: 01-Jul-93
Account No. 97-0606-140030
Bill No. 62609
Item No. 6 - 865

FOR: JUNE 1993

SAMPLE BILL

Demand Charge
Energy Charge

\$18,286.30

\$15,768.09

Estimated Billing for Contract Demand
Service for 1,070 kw of Base/
Intermediate demand.

PAYMENT DUE ON OR BEFORE

31-Jul-93

\$34,054.39

Detach
Here

Detach
Here

B.E.Co. Form 4017

Remit to: Boston Edison Company
P.O. Box 488
Boston, MA 02199

Billing Date: 01-Jul-93
Bill No. 62609
Item No. 6 - 865

For Service To:

BRAINTREE ELECTRIC LIGHT DEPT.

Amount Due This Bill

\$
\$34,054.39

Do Not Mark Below This Line

Bill Payable per Terms of Agreement or 30 Days

97-0606-140030-28

H

Please detach this portion and forward with your check

**BOSTON EDISON COMPANY
BRAINTREE CONTRACT DEMAND BILLING**

SAMPLE BILL

D.T.E. 04-113
Attachment DTE-1-12(b)
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TO:
BRAINTREE ELECTRIC LIGHT DEPARTMENT

FOR:
**CONTRACT DEMAND SERVICE FOR 1,070 KW OF
BASE/INTERMEDIATE DEMAND**

I. DEMAND CHARGE

A. BASE INTERMEDIATE

1,070 KW @ \$17.09 /KW/MONTH

\$18,286.30

II. ENERGY CHARGE (ESTIMATED)

	<u>KWH X MILLS/KWH =</u>	<u>AMOUNT</u>
A. BASE INTERMEDIATE		
1. ESTIMATED ENERGY	702,990 22.2515	\$15,642.58
B. ADJUSTMENT OF PRIOR BILL(S)		
1. ADJUSTMENT PRIOR MONTH:		
A. AS BILLED (ESTIMATED)	700,000 20.5219	\$14,365.33
B. AS CORRECTED	700,000 20.7012	\$14,490.84
C. ADJUSTMENT	0	\$125.51
2. ADJUSTMENT PRIOR PERIOD:		
A. AS BILLED (ACTUAL)	0 0.0000	\$0.00
B. AS CORRECTED (ACTUAL)	0 0.0000	\$0.00
C. ADJUSTMENT	0	\$0.00
TOTAL ENERGY CHARGE	702,990	\$15,768.09

III. TOTAL CHARGES

\$34,054.39

Schedule V
To
Contract Demand Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

Buyer's Existing Capacity Entitlements and Contracts
As of June 1, 1993

<u>Entitlement/ Contract</u>	<u>Entitlement %</u>	<u>Current Winter Capability (KW)</u>	<u>Current Summer Capability (KW)</u>	<u>Termination Date</u>
Potter II CC	39.8612*	96000	76000	L.O.U.
Potter Diesel #1	100	2250	2250	L.O.U.
Vermont Yankee	0.3481	519333	496000	L.O.U.
Maine Yankee	0.4037	880000	870000	L.O.U.
Seabrook	0.6139	1150000	1150000	L.O.U.
MMWEC Canal #2	0.5810 * 0.5759 * 0.5259 * 0.0000	584000	580000	10/31/93 10/31/94 10/31/95
EUA-Montaup Canal #2	4.3103 *	584000	580000	L.O.U.
Cleary 9 CC	0.0909	110000	105000	L.O.U.
Point Lepreau	1.1111 0.5555	630000 630000	630000 630000	10/31/93 10/31/94

* These percentages represent Summer Capabilities. They are derived from MW-amount contracts, not percentages.

Schedule VI
To
Contract Demand Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

Point(s) of Delivery

The Points of Delivery of power to Braintree Electric Light Department (BELD) shall be the existing 115 kV connection of Braintree and Boston Edison Company lines listed below:

1. 478-502X at tower #4 which supplies BELD Station 11.
2. 478-508 at tower #29A near Grove Street which supplies BELD Station 9.

Schedule VII
To
System Power
Sales Agreement
Between
Boston Edison Company
and
Town of Braintree Electric Light Department

At least one month prior to the beginning of each NEPOOL Power Year, buyer will have the option to reduce the amount of Contract Demand purchased from the amount shown in Schedule I to an amount not less than the Minimum Purchase Amount calculated using the following formula:

$$\text{MinimumPurchaseAmount} = \frac{.7 \frac{b}{C} + .3 \frac{d}{E} - \frac{X}{A * (1+T)}}{\frac{.7}{C} + \frac{.3}{E}}$$

where:

- A is the average value of Adjusted NEPOOL Objective Capability in megawatts for the upcoming Capability Period as fixed by the Management Committee pursuant to the NEPOOL Agreement and as shown in the most recently available Interim Report for NEPOOL Capability Responsibility.
- C is the average of the monthly aggregates of the noncoincidental Adjusted Annual Peaks of the Participants during the upcoming Capability Period as estimated by the Management committee pursuant to the NEPOOL Agreement and as shown in the most recently available Interim Report for NEPOOL Capability Responsibility.
- E is the average of the Adjusted Monthly Peaks of the Participants for the 12 months in the two Capability Periods immediately preceding the upcoming Capability Period as shown in the most recently available Interim Report for NEPOOL Capability Responsibility.
- b is Buyer's Adjusted Annual Peak ("B") in effect for the most recent month for which actual peak data was used, as shown in the most recently available Interim Report for NEPOOL Capability Responsibility; plus the amount of any firm purchases by Buyer, including purchases of Contract Demand pursuant to this Agreement, included in the calculation of such Adjusted Annual Peak other than Buyer's purchases of firm hydropower from the New York Power Authority (NYPA Purchase); minus the amount of any firm sales by Buyer included in the calculation of such Adjusted Annual Peak.
- d is Buyer's Adjusted Average Peak ("D") as shown in the most recently available Interim Report for NEPOOL

Capability Responsibility; plus the amount of any firm purchases by Buyer, including purchases of Contract Demand pursuant to this Agreement, included in the calculation of such Adjusted Average Peak other than the NYPA Purchase; minus the amount of any firm sales by Buyer included in the calculation of such Adjusted Average Peak.

- T is Buyer's Unit Availability Adjustment Factor ("T with safety net") for the most recent month for which actual entitlement data was used, as shown in the most recent Interim Report for NEPOOL Capability Responsibility.
- x is the total Summer Maximum Claimed Capability of Buyer's existing long-term capacity entitlements as set forth in Schedule V hereto.

The intent of this calculation is to determine a Minimum Purchase Amount such that Buyer's Capability Responsibility ("CR") as determined by NEPOOL during the upcoming Power Year, including the impact on Buyer's CR of the Minimum Purchase Amount, will be equal to Buyer's existing long-term capacity entitlements as set forth in Schedule 5, so that Buyer will not be required to purchase CD capacity greater than its needs.

An example of the calculation of the Minimum Purchase Amount is set forth as Attachment 1 to this Schedule VII.

The values of A, C, E, B, D and T are as defined in the NEPOOL Agreement. The values of b and d contain modifications to the NEPOOL-defined terms to permit the calculation of the Minimum Purchase Amount to be independently verified and to restrict the calculation to those purchases to which Buyer has already made commitment.

For purposes of this Schedule VII calculation only the amount of the NYPA Purchase will not exceed 5.0 MW.

Should the NEPOOL Agreement be amended in such a way as to violate the intent of this Schedule VII in the opinion of either party, the parties shall consult as soon as practicable to arrive at a mutually acceptable replacement for this Schedule VII. Upon mutual agreement of the parties, an amendment of this Agreement may be made in accordance with Article 19 hereof and applicable FERC filing requirements. In the event that the parties are unable to agree to and file with the FERC such amendment within sixty (60) days after their initial consultations, then Seller shall unilaterally file an amendment with the FERC under Section 205 of the Federal Power Act and Buyer shall have all rights under the Federal Power Act to contest the substance of such amendment and its effective date. Such amendment shall be

limited to the calculation of the Minimum Purchase Amount as defined in this Schedule VII.

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Attachment 1 to Schedule VII
Example of Calculation of Minimum Purchase Amount

Power Year beginning November 1, 1995

On or before October 1, 1995, Buyer will make the following calculation pursuant to Schedule VII:

Assumptions:

A = 25,111 MW from vote of NEPOOL Executive Committee.

C = 20,633 MW from vote of NEPOOL Executive Committee.

E = 17,648 MW from vote of NEPOOL Executive Committee.

B = 78.0 MW from Interim Report for NEPOOL Capability Responsibility dated October, 1995.

based on the following assumptions

summer, 1995 peak load	82.0 MW
less: NYPA Purchase	6.0 MW
less: BECo CD purchase,	
1994/95 Power Year	2.0 MW
plus: firm sale to another party	4.0 MW

b = 77.0 MW based on the following assumptions

B calculated above	78.0 MW
plus: NYPA Purchase in excess of 5MW	1.0 MW
plus: BECo CD purchase,	
1994/95 Power Year	2.0 MW
minus: firm sale to another party	4.0 MW

D = 61.0 MW from Interim Report for NEPOOL Capability Responsibility dated October, 1995.

based on the following assumptions

unadjusted average peak	65.0 MW
less: NYPA Purchase	6.0 MW
less: BECo CD purchase,	
1994/95 Power Year	2.0 MW
plus: firm sale to another party	4.0 MW

d = 60.0 MW based on the following assumptions

D calculated above	61.0 MW
--------------------	---------

plus: NYPA Purchase in excess of 5 MW 1.0 MW
 plus: BECo CD purchase,
 1994/95 Power Year 2.0 MW
 minus: firm sale to another party 4.0 MW

x = 88.0 MW from Schedule V (rounded for this example)

T = 0.000 from Interim Report for NEPOOL Capability Responsibility
 dated September, 1995, value of "T with safety net" for
 month of August. Assumed to be zero for purposes of this
 example.

Substituting the above values for A, C, E, T, b, d and x into the formula in
 Schedule VII yields

$$\text{MinimumPurchaseAmount} = \frac{.7 * \left(\frac{78}{20,633} \right) + .3 * \left(\frac{60}{17,648} \right) - \left(\frac{88}{25,111 * (1+0)} \right)}{\frac{.7}{20,633} + \frac{.3}{17,648}}$$

the result of this calculation is a Minimum Purchase Amount of 3.18 MW.

The values in this example are chosen solely to provide an illustration of the
 operation of the formula and are not intended to be typical of any actual values
 which Buyer expects or forecasts to occur.

Brainfree

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J. MICHEL MARCOUX
DAVID E. GOROFF

August 22, 1994

The Honorable Lois D. Cashell
Secretary
Route ES-1, Room 9310
Federal Energy Regulatory Commission
825 North Capitol Street, NE
Washington, DC 20426

Re: *Boston Edison Company,*
Docket No. ER94-1222-000

Dear Ms. Cashell:

Enclosed on behalf of Boston Edison Company is a supplement to its filing in this docket. The supplement consists of a revised Schedule III which defines Base and Intermediate energy costs as requested by the rate filing staff. Boston Edison requests that the filing as supplemented be allowed to become effective November 1, 1994 in accordance with the request made in its original filing in this docket.

A draft notice of this filing is enclosed for publication in the *Federal Register*.

Very truly yours,

Albert R. Simonds, Jr.

Albert R. Simonds, Jr., Esquire
Attorney for Boston Edison Company

ARSJr./cdr
Enclosures

cc: Mr. William G. Longenecker (Route ER-12.1 - Room 2408)
Service List

**SCHEDULE III
TO
CONTRACT DEMAND AGREEMENT
BETWEEN
BOSTON EDISON COMPANY
AND**

TOWN OF BRAINTREE ELECTRIC LIGHT DEPARTMENT

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Base and Intermediate Energy Charge Rate

A Base and Intermediate Energy Contract Demand Energy Charge shall be applied to each kilowatthour of electric energy supplied by Seller. This charge will be determined in accordance with the formula below, and shall be applied to all kilowatthours supplied by Seller during the billing month:

1. A Base and Intermediate Energy Charge shall be applied to each kilowatthour. This factor will be determined in \$/kwh to the nearest 7th place following the decimal point in accordance with the formula set forth below, and shall be applied to all kilowatthours supplied by the Company during the billing month.

$$P = (F/S) * L$$

Where,

F = The cost of fossil fuel (originating in Account #151) and the cost of nuclear fuel (Account #518) used in Seller's base and intermediate generating stations, plus Seller's share of the cost of fuel used in jointly owned or leased base and intermediate plants, plus identifiable fuel cost of base and intermediate purchased power, plus the net energy cost of NEPOOL energy services, and less the fuel cost recovered through base and intermediate inter-system sales. The term "base and intermediate" as used above refers to non-peaking power. Peaking power is defined as power produced by internal combustion units (diesels, jets and/or gas turbines) with the exception of combined-cycle facilities.

S = Net kilowatthours associated with fuel cost in the numerator.

L = Factor for adjustment of losses from the generator to the delivery voltage of 115 kV as determined annually and which is presently 1.02197.

2. The following description accompanies the Base and Intermediate Energy Charge provided for in the preceding subsection (1):

(a) The cost of fossil fuel at Seller's generating plants shall include those costs that originate in Account 151 as defined in 18 CFR Ch. 1, Pt. 101. These costs include but are not limited to the following: the invoice price of fuel, freight, switching, demurrage, other transportation charges, and excise taxes.

DRAFT - August 18, 1994 -- 3:24pm

RS1673

(b) The cost of nuclear fuel at the Seller's Pilgrim nuclear generating plant shall be those costs that are expensed to Account 518 in accordance to 18 CFR Ch. 1, Pt. 101.

(c) The fuel cost of Seller's purchased power shall include only the actual identifiable fossil and nuclear fuel costs of base and intermediate purchased power associated with energy purchased other than that identified in the following subsection (2)(d).

(d) The net energy cost of NEPOOL energy services include but are not limited to the following: net economy transactions, scheduled outage service, unscheduled outage service, deficiency service, NEPEX savings, Hydro Quebec savings, less the energy expense associated with Pilgrim off-site power station use.

(e) The fuel cost recovered through inter-system sales shall include the identifiable fossil and nuclear costs recovered through base and intermediate inter-system sales.

**First Amendment
To
Contract Demand Agreement
By and Between Boston Edison Company
And
Town of Braintree Electric Light Department**

AGREEMENT entered into this 11th day of December, 1998 by and between Boston Edison Company, a Massachusetts corporation having its principal place of business at 800 Boylston Street, Boston, Massachusetts ("Seller"), and the Braintree Electric Light Department ("Buyer"), a municipal light plant existing under Massachusetts General Laws, Chapter 164, as amended.

WHEREAS, Seller and Buyer entered into a Contract Demand Agreement dated August 19, 1993 (the "Agreement"), pursuant to which Seller agreed to sell to Buyer and Buyer agreed to purchase from Seller a Contract Demand Service, as defined in the Agreement.

WHEREAS Seller and Buyer recognize that this Amendment will take effect prior to the Second Effective Date as provided for in the Restated NEPOOL Agreement and that the terms and conditions of service under this Amendment will differ depending on whether the service is provided before or after such Second Effective Date; and

WHEREAS, capitalized terms used in this Amendment which are defined in the Agreement and not otherwise defined herein shall have the same meanings herein as assigned to such terms in the Agreement; and

WHEREAS, Seller and Buyer agree to amend the Agreement as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual undertakings and agreements contained in the Agreement and in this Amendment, Seller and Buyer hereby agree to amend the Agreement as follows:

- I. Article 2 of the Agreement is amended as follows:
 - A. The title of Article 2 is amended by deleting the words "Base and Intermediate".
 - B. A new Article 2 (a) is included as follows:
 - (a) Following commencement of the Second Effective Date, as provided for in the Restated NEPOOL Agreement, all references in the Agreement to Contract Demand Service and Contract Demand Quantity shall be changed to Dispatchable Linked System Service (DLSS) or such other term as may be generally used in NEPOOL to describe a service that is

- C. Article 2 (a) now becomes Article 2 (b). The new Article 2 (b) is amended by deleting it and replacing it with the following:

Prior to the Second Effective Date as provided in the Restated NEPOOL Agreement, the Seller shall sell to Buyer and Buyer shall purchase from Seller capacity in the kilowatt quantities set forth in Schedule I to this Agreement, and such related electrical energy as is dispatched under the terms of Article 4 hereof and delivered pursuant to Article 3 hereof. The Seller, in providing the Contract Demand kilowatt quantities set forth in Schedule I shall be providing firm power to Buyer. The Contract Demand kilowatt quantities delivered to Buyer shall reduce Buyer's load for purposes of calculating Buyer's Capability Responsibility, including reserves, under the NEPOOL Agreement. A corresponding addition will be made to Seller's load for purposes of calculating Seller's Capability Responsibility, including reserves, under the NEPOOL Agreement. Nothing in this Agreement shall permit Seller to make sales to Buyer's retail customers.

After the Second Effective Date as provided in the Restated NEPOOL Agreement, Seller shall provide to Buyer the ICAP and OPCAP amounts per Schedule IV to this Agreement. In addition Seller shall provide to Buyer, the TMSR and TMNSR linked dispatchable system energy as identified in Schedule IV to this Agreement. Buyer shall purchase from Seller the kilowatt quantities set forth in Schedule I to this Agreement, and such related electrical energy as is dispatched under the terms of Article 4 hereof and delivered pursuant to Article 3 hereof. Nothing in this Agreement shall permit Seller to make sales to Buyer's retail customers.

- D. The original Article 2 (b) is deleted.
- E. Article 2 (c) is deleted in its entirety.
- F. Article 2 (d) is deleted.
- G. Article 2 (e) is deleted.

- II. Article 4 is amended as follows: by deleting the words "base and intermediate load Contract Demand" in the first and third sentences and adding the words "and operating reserves" after the word "energy" in the first sentence."

III. Article 5 is amended by deleting in its entirety and replacing it with the following:

For, and in consideration of, the sale and delivery by Seller to Buyer of Contract Demand capacity and related energy in accordance with the terms of this Agreement, Buyer shall pay monthly to Seller during the Term of this Agreement the sum of the following charges as calculated below:

a. Contract Demand Capacity Charges

Prior to the Second Effective date as provided in the NEPOOL Restated Agreement, the Contract Demand Capacity Charge for any calendar month shall be the product of (i) the amount of Contract Demand electrical capacity (expressed in kW) which is set forth in Schedule I for which the Buyer obtains a load reduction and (ii) the fixed Contract Demand Capacity Charge rate for the applicable monthly period as listed in Schedule II hereof.

After the Second Effective date as provided in the NEPOOL Restated Agreement, the Capacity Charge for any calendar month shall be the product of (i) the electrical capacity as set forth in Schedule I; and (ii) the fixed capacity charge for the applicable monthly period as set forth in Schedule II hereof.

The fixed and set Contract Demand Capacity Charge rates set forth in Schedule II of this Agreement cannot be unilaterally changed or requested to be changed by the Buyer or Seller during the Term of this Agreement. Nothing in the preceding sentence shall preclude the parties from amending this Agreement in accordance with Article 19 hereof.

After the Second Effective Date as provided in the Restated NEPOOL Agreement, Seller shall provide to the Buyer the ICAP and OPCAP amounts per Schedule IV to this Agreement.

b. Energy Charges

The Energy Charge for any calendar month shall be equal to the sum of the products of (i) the daily kilowatt-hours of energy delivered by Seller to Buyer at the points of Delivery hereunder pursuant to Article 4 hereof; and (ii) the Energy Charge rate applicable to that date, as set forth in Schedule III hereof.

The Contract Demand Energy Charge rate formula set forth in Schedule III of this Agreement cannot be unilaterally changed or requested to be changed by the Buyer or the Seller during the Term of this Agreement. Nothing in this preceding sentence shall preclude the parties from amending this Agreement in accordance with Article 19 hereof.

- IV. A. Article 6 (a) is amended by deleting the phrase "Schedule IV" and replacing it with "Schedule V".
- B. Article 6 (d) is amended by inserting the phrase "Prior to the Second Effective Date," at the beginning of the paragraph.
- C. Article 6 (d) is also amended by inserting at its conclusion the following:
- After the Second Effective Date, in no event shall Buyer be obligated to pay for electrical capacity if the Buyer does not receive the ICAP and OPCAP amounts identified on Schedule IV.
- VI. A. Article 7 (a) is amended by deleting the phrase "base and intermediate load" in the first sentence.
- B. Article 7 (b) is amended by deleting the phrase "base and intermediate load" from the first sentence. The third sentence is amended by deleting "Contract Demand". The last sentence is also amended by deleting "Contract Demand" each time it appears.
- C. Article 7(c) is deleted.
- VII. Article 8 of the Agreement is amended by deleting the existing Article 8 and inserting in place thereof the following:
- If Seller fails to provide all or part of the Contract Demand Service or DLSS, whichever is applicable, to the Points of Delivery and such failure is not caused by Buyer, or the NE ISO, then Seller shall pay Buyer or credit Buyer at the time of the following month's bill a deficiency charge equal to the product of each MWh of such deficiency times the positive difference, if any, of (i) the price, including Buyer's administrative and consulting costs, at which Buyer, acting in a commercially reasonable manner is, or would be, able to obtain comparable supplies of a similar type of product and service provided in the NEPOOL market (the "Replacement Price") and (ii) the applicable rates and charges set forth in Exhibit B to this Agreement. For purposes of this Agreement it shall be deemed commercially reasonable for Buyer to purchase replacement power at the NEPOOL Market Clearing Price in effect at the time such purchase is made.
- VIII. Article 10 (a) is amended by adding the following paragraph after the first paragraph:
- A. Seller agrees to file this Amendment with the Federal Energy Regulatory Commission and seek a waiver to the extent that such waiver is required for this amendment to have a formal effective date of October 1, 1998.

B. Article 10(b) is amended by:

Deleting the words "with the cost of fuel" and replacing these words with the words "Energy Charge Rate" in the first sentence;

Deleting the words "just and reasonableness of any costs incurred by the Seller or" and "and used to determine the cost of fuel" in the second sentence; and

By deleting the words "Contract Demand" and "base and intermediate load Contract Demand" in the last sentence.

IX. Article 11 of the Agreement is amended by deleting it in its entirety and inserting in place thereof the following:

Buyer understands and acknowledges that Seller intends to assign or transfer all of its rights and obligations under this Agreement and that such assignment or transfer shall operate to release Seller from each and every obligation, except for the Seller's transmission obligations under the Agreement, that it has under this Agreement. Accordingly, Seller has the right to assign or transfer all of its rights and obligations under this Agreement without the consent of Buyer provided such assignee or transferee has a current agency report showing an investment grade rating from one of the following rating agencies: Standard & Poor's, Moody's, Duff & Phelps, or Fitch. Further, any assignment or transfer by Seller shall include an explicit requirement that the assignee or transferee agrees to undertake each and every obligation that Seller has under this Agreement.

Prior to the Second Effective date as provided in the NEPOOL Restated Agreement, nothing in this Article 11 shall be construed to prevent Buyer from reselling outside of its system the electrical capacity and related energy as shown on Schedule I.

After the Second Effective Date as provided in the Restated NEPOOL Agreement, nothing in this Article 11 shall be construed to prevent Buyer from reselling outside its system the DLSS products (ICAP, OPCAP, Dispatchable System Energy linked with TMSR and TMNSR) as shown on Schedule IV.

X. Article 21 of the Agreement is amended by adding the following new subpart:

- (c) On and after the termination of this Agreement, Seller shall have no further obligation to serve any portion of Buyer's load. In addition, after this Agreement terminates, Seller or its assigns will not seek any stranded cost recovery or exit fee against Buyer. Seller hereby waives any present or future right to any such claims, due to the existence or termination of this Agreement. However, nothing in the preceding sentences shall**

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Attachment DTE-1-12(b)
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prevent Seller from pursuing any contract rights that it may have against
Buyer resulting from Buyer's improper termination of this Agreement.

XI. Article 22(e) is amended by deleting it in its entirety.

XII. Schedule I of the Agreement is amended by deleting the existing Schedule I and inserting in Place thereof the following:

Schedule I

Capacity Purchase Amounts

Period	Amount
11/1/1994 – 10/31/1995	1.70
11/1/1995 – 10/31/1996	4.00
11/1/1996 – 10/31/1997	4.00
11/1/1997 – 10/31/1998	5.55
11/1/1998 – 10/31/1999	7.70
11/1/1999 – 10/31/2000	9.40
11/1/2000 – 10/31/2001	10.98
11/1/2001 – 10/31/2002	10.55
11/1/2002 – 10/31/2003	11.85
11/1/2003 – 10/31/2004	13.30

- XIII. Schedule II of the Agreement is amended by deleting the existing Schedule II and inserting in place thereof the following:

**Schedule II
Capacity Charge Rate**

Period	Amount
11/1/1994 – 10/31/1995	\$17.09 /kw-month
11/1/1995 – 10/31/1996	\$17.73 / kw-month
11/1/1996 – 10/31/1997	\$18.40 / kw-month
11/1/1997 – 9/30/1998	\$19.08 / kw-month
10/1/1998 – 10/31/1998	\$17.17 / kw-month
11/1/1998 – 10/31/1999	\$17.80 / kw-month
11/1/1999 – 10/31/2000	\$18.50 / kw-month
11/1/2000 – 10/31/2001	\$19.22 / kw-month
11/1/2001 – 10/31/2002	\$20.03 / kw-month
11/1/2002 – 10/31/2003	\$20.89 / kw-month
11/1/2003 – 10/31/2004	\$21.79 / kw-month

XIV. Schedule III of the Agreement is amended by deleting the existing Schedule III and inserting in place thereof the following:

Schedule III

Energy Charge Rate

An Energy Charge Rate will be determined daily in \$/kWh, to the 7th place following the decimal point in accordance with the formula set forth below and shall be applied to each kWh supplied to the Buyer each day at the Points of Delivery by the Seller during the Billing Month. The Energy Charge Rate formula is:

The rate is an hourly, two-block rate effective October 1, 1998. The first block affects 60% of the Capacity Purchase Amounts on Schedule I. The Energy Charge Rate for this block is 90% of the Energy Charge Rate in the second block. The second block affects 40% of the Capacity Purchase Amounts on Schedule I. The Energy Charge Rate formula for this block is:

$$D = C \times L$$

Where:

$$C = C1 + C2 + C3 \text{ (all expressed in \$/MWh)}$$

$$C1 = (\text{Index \#1}/6.3) \times 10.050 \times 24.80\%$$

Index #1 = The daily average \$/bbl quotes for 1% Sulfur No. 6 Oil New York Harbor Cargo, as reported by Platt's Oilgram for the calendar month. If publication of this index is discontinued during the Term of this Agreement, the Parties agree to meet and mutually agree upon an alternative index.

$$C2 = (\text{Index \#2} + (\$1.26 \times \text{Index 3})) \times 9.95 \times 31.82\%$$

Index #2 = The daily midpoint \$/mmBtu for natural gas at Henry Hub, as reported in the Gas Daily for the prior day. If publication of this index is discontinued during the Term of this Agreement, the Parties agree to meet and mutually agree upon an alternative index.

Index #3 = The quotient obtained from dividing the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers indexed for Boston, Massachusetts, published in the Bureau of Labor Statistics CPI Detailed report for the effective period or the most currently available value, by the 1997 annual CPI of 166.6. If publication of this index is discontinued during the Term of this Agreement, the Parties agree to meet and mutually agree upon an alternative index.

$$C3 = \$4.8 \times \text{Index \#3} \times 43.37\%$$

$$L = 1.02197$$

- XV. Schedule IV is amended by deleting it in its entirety and replacing it with the following Schedule IV.

Schedule IV

Following commencement of the Second Effective Date, as provided in the Restated NEPOOL Agreement, Seller shall provide Buyer with DLSS at the prices set forth in Schedule II and Schedule III.

DLSS shall consist of the OPCAP, ICAP, Dispatchable System Energy (equivalent to the OPCAP) linked with the TMSR and TMNSR as identified below.

Period	Operable Capacity (OPCAP)	Installed Capability (ICAP)
11/1/1998 – 10/31/1999	7.70	8.8550
11/1/1999 – 10/31/2000	9.40	10.8100
11/1/2000 – 10/31/2001	10.98	12.6270
11/1/2001 – 10/31/2002	10.55	12.1325
11/1/2002 – 10/31/2003	11.85	13.6275
11/1/2003 – 10/31/2004	13.30	15.2950

Operating Reserves Limits

Period	On-Peak		Off-Peak	
	TMSR	TMNSR	TMSR	TMNSR
11/1/1998 – 10/31/1999	0.7700	0.7700	1.9250	1.9250
11/1/1999 – 10/31/2000	0.9400	0.9400	2.3500	2.3500
11/1/2000 – 10/31/2001	1.0980	1.0980	2.7450	2.7450
11/1/2001 – 10/31/2002	1.0550	1.0550	2.6375	2.6375
11/1/2002 – 10/31/2003	1.1850	1.1850	2.9625	2.9625
11/1/2003 – 10/31/2004	1.3300	1.3300	3.3250	3.3250

On-peak means hour ending 8 through hour ending 22.

Off-Peak means hour ending 23 through hour ending 7.

TMSR means Ten Minute Spinning Reserve

TMNSR means Ten Minute Non-Spinning Reserves

XVI. A Sample Bill setting forth the application of the Demand Charge and Energy Charge is attached as the new Schedule V.

Schedule V

Sample Bill

XVII. The existing Schedules V and VII are amended by deleting them in their entirety.

D.T.E. 04-113

Attachment DTE-1-12(b)

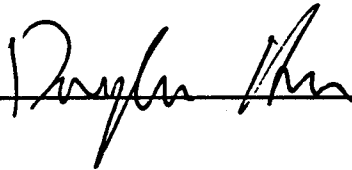
Page 59 of 73

IN WITNESS WHEREOF the Parties have caused this Amendment to be executed on the date first set forth above.

BRAINTREE ELECTRIC LIGHT
DEPARTMENT

BOSTON EDISON COMPANY

By: _____
Its

By: 
Its

IN WITNESS WHEREOF the Parties have caused this Amendment to be executed on the
date first set forth above.

BRAINTREE ELECTRIC LIGHT
DEPARTMENT

BOSTON EDISON COMPANY

By: Walter R. McArthur
Its: General Manager

By: _____
Its: _____

Schedule V

Sample Bill

**First Amendment
To
Contract Demand Agreement
By and Between Boston Edison Company
And
Town of Braintree Electric Light Department**

**BOSTON EDISON COMPANY
BRAINTREE CONTRACT DEMAND BILLING
OCTOBER 1998**

Schedule V
D.T.E. 04-113
Attachment DTE-1-12(b)
(Page 63 of 73)

**TO:
BRAINTREE ELECTRIC LIGHT DEPARTMENT**

**FOR:
CONTRACT DEMAND SERVICE FOR 7,7000 KW OF
BASE/INTERMEDIATE DEMAND**

I. DEMAND CHARGE & UNBUNDLED TRANSMISSION CHGS:

A. BASE INTERMEDIATE (BUNDLED RATE \$17.17)

5,550 KW @	\$15.37 /KW/MONTH (DEMAND)	\$85,303.50
5,550 KW @	\$1.80 /KW/MONTH (TRANSM)(Unbundling)	\$9,990.00
TOTAL		\$95,293.50

II. ENERGY CHARGE

A. BASE INTERMEDIATE

1. ESTIMATED ENERGY

KWH X	ATES/KWH =	AMOUNT
4,134,750	(SEE ATT)	\$67,214.27

B. ADJUSTMENT OF PRIOR BILL(S)

1. ADJUSTMENT PRIOR MONTH:

A. AS BILLED (ESTIMATED)

3,946,150	16.7511	\$66,102.35
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B. AS CORRECTED

3,951,690	17.1524	\$67,780.97
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C. ADJUSTMENT

5,540		\$1,678.62
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2. ADJUSTMENT PRIOR PERIOD:

A. AS BILLED

0	0.0000	\$0.00
---	--------	--------

A. AS CORRECTED

0	0.0000	\$0.00
---	--------	--------

C. ADJUSTMENT

0		\$0.00
---	--	--------

TOTAL ENERGY CHARGE

4,140,290		\$68,892.89
-----------	--	-------------

VI. TOTAL CHARGES

\$164,186.39

Boston Edison Company										Energy Charge Rate Calculation for Braintree Electric Light Department									
Formula																			
$C1 = (\#1 / \#2) \times \#3 \times \#4$																			
$C2 = (\#6 + (\#7 \times \#8 / \#9)) \times \#10 \times \#11$																			
$C3 = \#13 \times \#8 / \#9 \times \#14$																			
$C = C1 + C2 + C3$																			
$D = C \times L$																			
Col #	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
Index #1										Index #2									
Index #3										Index #4									
10/1/98 Thu	11.975	6.3	10.05	24.80%	4.7375	2.175	1.26	168.8	166.6	9.95	31.82%	10.9282	4.8	43.37%	2.1093	17.7750	1.02197	18.1655	
10/2/98 Fri	11.975	6.3	10.05	24.80%	4.7375	2.325	1.26	168.8	166.6	9.95	31.82%	11.4031	4.8	43.37%	2.1093	18.2499	1.02197	18.6509	
10/3/98 Sat	12.025	6.3	10.05	24.80%	4.7573	2.125	1.26	168.8	166.6	9.95	31.82%	10.7699	4.8	43.37%	2.1093	17.6365	1.02197	18.0240	
10/4/98 Sun	12.025	6.3	10.05	24.80%	4.7573	2.125	1.26	168.8	166.6	9.95	31.82%	10.7699	4.8	43.37%	2.1093	17.6365	1.02197	18.0240	
10/5/98 Mon	12.025	6.3	10.05	24.80%	4.7573	2.125	1.26	168.8	166.6	9.95	31.82%	10.7699	4.8	43.37%	2.1093	17.6365	1.02197	18.0240	
10/6/98 Tue	12.025	6.3	10.05	24.80%	4.7573	2.070	1.26	168.8	166.6	9.95	31.82%	10.5958	4.8	43.37%	2.1093	17.4624	1.02197	17.8460	
10/7/98 Wed	12.125	6.3	10.05	24.80%	4.7969	1.995	1.26	168.8	166.6	9.95	31.82%	10.5166	4.8	43.37%	2.1093	17.4426	1.02197	17.8258	
10/8/98 Thu	12.175	6.3	10.05	24.80%	4.8167	2.045	1.26	168.8	166.6	9.95	31.82%	10.4533	4.8	43.37%	2.1093	17.3793	1.02197	17.7611	
10/9/98 Fri	12.175	6.3	10.05	24.80%	4.8167	2.025	1.26	168.8	166.6	9.95	31.82%	9.7251	4.8	43.37%	2.1093	16.6708	1.02197	17.0371	
10/10/98 Sat	12.225	6.3	10.05	24.80%	4.8364	1.795	1.26	168.8	166.6	9.95	31.82%	9.7251	4.8	43.37%	2.1093	16.6708	1.02197	17.0371	
10/11/98 Sun	12.225	6.3	10.05	24.80%	4.8364	1.735	1.26	168.8	166.6	9.95	31.82%	9.5351	4.8	43.37%	2.1093	16.4908	1.02197	16.8429	
10/12/98 Mon	12.225	6.3	10.05	24.80%	4.8364	1.675	1.26	168.8	166.6	9.95	31.82%	9.3452	4.8	43.37%	2.1093	16.3305	1.02197	16.6893	
10/13/98 Tue	12.325	6.3	10.05	24.80%	4.8760	1.795	1.26	169.9	166.6	9.95	31.82%	9.7514	4.8	43.37%	2.1230	16.7504	1.02197	17.1184	
10/14/98 Wed	12.325	6.3	10.05	24.80%	4.8760	1.750	1.26	169.9	166.6	9.95	31.82%	9.6090	4.8	43.37%	2.1230	16.6080	1.02197	16.9729	
10/15/98 Thu	12.325	6.3	10.05	24.80%	4.8760	1.630	1.26	169.9	166.6	9.95	31.82%	9.2290	4.8	43.37%	2.1230	16.2280	1.02197	16.5845	
10/16/98 Fri	12.325	6.3	10.05	24.80%	4.8760	1.630	1.26	169.9	166.6	9.95	31.82%	9.2290	4.8	43.37%	2.1230	16.2280	1.02197	16.5845	
10/17/98 Sat	12.325	6.3	10.05	24.80%	4.8760	1.630	1.26	169.9	166.6	9.95	31.82%	9.2290	4.8	43.37%	2.1230	16.2280	1.02197	16.5845	
10/18/98 Sun	12.325	6.3	10.05	24.80%	4.8760	1.630	1.26	169.9	166.6	9.95	31.82%	9.2290	4.8	43.37%	2.1230	16.2280	1.02197	16.5845	
10/19/98 Mon	12.325	6.3	10.05	24.80%	4.8760	1.630	1.26	169.9	166.6	9.95	31.82%	9.2290	4.8	43.37%	2.1230	16.2280	1.02197	16.5845	
10/20/98 Tue	12.075	6.3	10.05	24.80%	4.7771	1.745	1.26	169.9	166.6	9.95	31.82%	9.5931	4.8	43.37%	2.1230	16.4932	1.02197	16.8556	
10/21/98 Wed	12	6.3	10.05	24.80%	4.7474	1.950	1.26	169.9	166.6	9.95	31.82%	10.2422	4.8	43.37%	2.1230	17.1126	1.02197	17.4886	
10/22/98 Thu	12	6.3	10.05	24.80%	4.7474	2.030	1.26	169.9	166.6	9.95	31.82%	10.4955	4.8	43.37%	2.1230	17.3659	1.02197	17.7474	
10/23/98 Fri	11.95	6.3	10.05	24.80%	4.7276	1.950	1.26	169.9	166.6	9.95	31.82%	9.9097	4.8	43.37%	2.1230	16.7307	1.02197	17.0983	
10/24/98 Sat	11.875	6.3	10.05	24.80%	4.6980	1.845	1.26	169.9	166.6	9.95	31.82%	9.9097	4.8	43.37%	2.1230	16.7307	1.02197	17.0983	
10/25/98 Sun	11.875	6.3	10.05	24.80%	4.6980	1.845	1.26	169.9	166.6	9.95	31.82%	9.9097	4.8	43.37%	2.1230	16.7307	1.02197	17.0983	
10/26/98 Mon	11.875	6.3	10.05	24.80%	4.6980	1.845	1.26	169.9	166.6	9.95	31.82%	9.9097	4.8	43.37%	2.1230	16.7307	1.02197	17.0983	
10/27/98 Tue	12.125	6.3	10.05	24.80%	4.7969	1.900	1.26	169.9	166.6	9.95	31.82%	10.0839	4.8	43.37%	2.1230	17.0038	1.02197	17.3234	
10/28/98 Wed	12.125	6.3	10.05	24.80%	4.7969	1.840	1.26	169.9	166.6	9.95	31.82%	9.8939	4.8	43.37%	2.1230	16.8138	1.02197	17.1632	
10/29/98 Thu	12.25	6.3	10.05	24.80%	4.8463	1.690	1.26	169.9	166.6	9.95	31.82%	9.4190	4.8	43.37%	2.1230	16.3883	1.02197	16.7404	
10/30/98 Fri	11.975	6.3	10.05	24.80%	4.7375	1.720	1.26	169.9	166.6	9.95	31.82%	9.5140	4.8	43.37%	2.1230	16.3745	1.02197	16.7342	
10/31/98 Sat	11.75	6.3	10.05	24.80%	4.6485	1.755	1.26	169.9	166.6	9.95	31.82%	9.6248	4.8	43.37%	2.1230	16.3963	1.02197	16.7563	

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Attachment DTE-1-12(b) 2/4

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Column #1	#20	#21	#22	#23	#24	#25	#26	#27	#28	#29	#30	#31	#32	#33
Formula							sum of #2 thru #25	#30 x 0.9	#26 x #27			#29 x #30	#26 + #29	#28 + #31
Hour	19	20	21	22	23	24	Total							
Est MWH														
10/1/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/2/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/3/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/4/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/5/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/6/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/7/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/8/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/9/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/10/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/11/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/12/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/13/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/14/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/15/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/16/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/17/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/18/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/19/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/20/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/21/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/22/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/23/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/24/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/25/98	5 550	5 550	5 550	5 550	5 550	5 550	138 750	End of daylight savings = 25 hours hour 2 impacted						
10/26/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/27/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/28/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/29/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/30/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
10/31/98	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
Total							4,134 750							
Hrly max	5 550	5 550	5 550	5 550	5 550	5 550	133 200							
Derivation of 1st block MWH							Sum of 1st block MWH	1st block price	1st block \$s	2nd block MWH	2nd block price	2nd block \$s	Total MWH	Total Energy Charge \$s
10/1/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 3490	1 306 61	53 280	18 1655	967 86	133 200	2 274 47
10/2/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 7856	1 341 52	53 280	18 6509	993 72	133 200	2 335 24
10/3/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 2216	1 296 43	53 280	18 0240	960 32	133 200	2 256 75
10/4/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 2216	1 296 43	53 280	18 0240	960 32	133 200	2 256 75
10/5/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 2216	1 296 43	53 280	18 0240	960 32	133 200	2 256 75
10/6/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 0614	1 283 63	53 280	17 8460	950 83	133 200	2 234 46
10/7/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 8794	1 269 08	53 280	17 6438	940 06	133 200	2 209 14
10/8/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	16 0432	1 282 17	53 280	17 8258	949 76	133 200	2 231 93
10/9/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 9850	1 277 52	53 280	17 7611	946 31	133 200	2 223 83
10/10/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 3334	1 225 45	53 280	17 0371	907 74	133 200	2 133 19
10/11/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 3334	1 225 45	53 280	17 0371	907 74	133 200	2 133 19
10/12/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 3334	1 225 45	53 280	17 0371	907 74	133 200	2 133 19
10/13/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 1586	1 211 48	53 280	16 8429	897 39	133 200	2 106 67
10/14/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 0204	1 200 43	53 280	16 6893	889 21	133 200	2 069 64
10/15/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 4066	1 231 30	53 280	17 1184	912 07	133 200	2 143 37
10/16/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 2756	1 220 83	53 280	16 9729	904 32	133 200	2 125 15
10/17/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	14 9261	1 192 89	53 280	16 5845	883 62	133 200	2 076 51
10/18/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	14 9261	1 192 89	53 280	16 5845	883 62	133 200	2 076 51
10/19/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 1700	1 212 39	53 280	16 8556	898 07	133 200	2 110 46
10/20/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 7397	1 257 92	53 280	17 4886	931 79	133 200	2 189 71
10/21/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 9727	1 276 54	53 280	17 7474	945 58	133 200	2 222 12
10/22/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 7215	1 256 46	53 280	17 4683	930 71	133 200	2 167 17
10/23/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 3885	1 229 85	53 280	17 0983	911 00	133 200	2 140 85
10/24/98	3 330	3 330	3 330	3 330	3 330	3 330	83 250	15 3885	1 281 09	55 500	17 0983	948 96	138 750	2 230 05
10/25/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 3885	1 229 85	53 280	17 0983	911 00	133 200	2 097 03
10/26/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 6397	1 249 92	53 280	17 3774	925 87	133 200	2 175 79
10/27/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 4649	1 235 95	53 280	17 1832	915 52	133 200	2 151 47
10/28/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 0736	1 204 68	53 280	16 7484	892 35	133 200	2 097 03
10/29/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 0608	1 203 66	53 280	16 7342	891 60	133 200	2 095 26
10/30/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 0809	1 205 27	53 280	16 7565	892 79	133 200	2 098 06
10/31/98	3 330	3 330	3 330	3 330	3 330	3 330	79 920	15 0809	1 205 27	53 280	16 7565	892 79	133 200	2 098 06
Total							2 480 850		36 612 46	1 653 900		28 601 81	4 134 750	67 214 27

SECOND AMENDMENT

CONTRACT DEMAND AGREEMENT

Between

Braintree Electric Light Department

And

Boston Edison Company

This SECOND AMENDMENT to the Contract Demand Agreement, dated August 19, 1993 (the "Amendment") is made and entered into as of August 26, 2003 (the "Amendment Effective Date") by and between Braintree Electric Light Department, a Massachusetts municipal light plant organized under the provisions of G.L. c. 164, having its principal place of business at 150 Potter Road, Braintree, Massachusetts 02184 (the "Buyer" or "BELD") and Boston Edison Company, having its principal place of business at 800 Boylston Street, Boston, MA 02199 (the "Seller") (each a "Party" and collectively, the "Parties").

WHEREAS, Buyer and Seller entered into a Contract Demand Agreement on August 19, 1993 ("Agreement"), pursuant to which Seller agreed to sell to Buyer and Buyer agreed to purchase from Seller a Contract Demand Service, as defined in the Agreement;

WHEREAS, Buyer and Seller executed a First Amendment to the Contract Demand Agreement By and Between Boston Edison Company and Town of Braintree Electric Light Department on December 11, 1998 (the "First Amendment");

WHEREAS, on July 13, 2002 the New England Power Pool and ISO-New England filed with the Federal Energy Regulatory Commission proposed Market Rules for a new Standard Market Design ("SMD") for New England, which became effective on March 1, 2003;

WHEREAS the SMD will create, among other changes, a multi-settlement system consisting of day-ahead and real-time markets for energy, a locational price mechanism for Energy and an Unforced Capacity Requirement, the removal of Operating Reserves and Installed Capability as power products, and the elimination of Dispatchable Linked System Service (DLSS) in New England;

WHEREAS, Buyer and Seller desire to retain both parties' rights and benefits inherent under the Agreement and the First Amendment under NEPOOL market rules in effect prior to the implementation of SMD as expressly set forth in this Second Amendment;

WHEREAS, the parties hereto desire to provide for the terms and conditions pursuant to which Seller will sell to Buyer and Buyer will purchase from Seller capacity and energy during the term of this Agreement.

NOW, THEREFORE, pursuant to the provisions of Article 19 of the Agreement and in accordance with the foregoing and in consideration of the mutual promises, covenants and agreements set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to amend the Agreement as follows:

Section 1. Article 2 is hereby deleted in its entirety and replaced with the following:

Article 2. Sale and Purchase

- a. Upon implementation of SMD, the Seller shall sell and Buyer shall purchase at no extra charge under the Agreement Unforced Capacity (UCAP) in an amount equal to the product of: (i) ICAP per schedule IV to this agreement and (ii) one minus the monthly POOL Average Outage Rate.

UCAP has the meaning set forth in the NEPOOL Manual for Installed Capacity, Manual M-20, Revision (1) dated February 5, 2003. The monthly POOL Average Outage Rate is identified in the SR_MTHREQICAP report issued by ISO-NE prior to the start of the month.

- b. Upon implementation of SMD, the Seller shall sell and Buyer shall purchase Energy. Energy delivered under the Agreement will be provided in the form of Internal Bilateral Transactions ("IBT's") for Energy and will be scheduled in the Day-Ahead market. On the Operating day (which shall have the same meaning as defined in "NEPOOL Market Rule 1 – Standard Market Design") the Seller shall notify the buyer of the contract prices calculated per the terms of Article 5 of this Agreement ("Seller's Notice"). The Seller shall submit a single IBT Container, as defined below, for each calendar month and will notify the Buyer that the IBT Container has been submitted into the ISO-NE market system, and the Buyer shall confirm the IBT Container in the ISO-NE market system. All energy will be delivered to the Delivery Point as noted in Article 3. In accordance with NEPOOL and ISO-NE rules and procedures, the Seller shall schedule Energy for each Operating Day so that the Energy will be scheduled during hours when the Energy Charge rate under the Agreement is lower than the Locational Marginal Price ("LMP") at the Point of Delivery in such hour and Energy shall not be scheduled during hours when the Energy Charge rate under the Agreement is higher than the LMP at the Point of Delivery in the corresponding hours. For purposes of this Agreement, "IBT Container" shall

mean the form of electronic contract submittal, as implemented in the ISO-NE England Settlement Market System effective March 1, 2003, that only requires the Buyer to confirm the general parameters of the IBT and not the hourly schedules of Energy delivery.

As soon as possible, no later than hour 1300 on the first business day of the following month, Buyer shall provide prompt written/e-mail and telephonic notice to Seller that the schedules are not consistent with the foregoing. Upon notification from Buyer the Seller shall correct with an appropriate IBT in the Market System. In the event the IBT is in the Real Time Market pursuant to Manual 28, Section 9.1.1 and Seller shall re-submit the same for review and confirmation by Buyer in the ISO-NE market system.

Section 2. Article 3(a) is hereby deleted and replaced with the following:

- a. Seller shall be responsible for the transmission of Unforced Capacity and Energy purchased by Buyer under this Agreement to Delivery Point LD.Plain_ST115. The Seller shall provide such transmission to said Delivery Point as firm service of the type necessary to assure Buyer with having the capacity so that NEPOOL requirements are met in adjusting Buyer's Unforced Capacity Requirement. The Seller's charges, including congestions costs, for transmitting the Unforced Capacity and Energy to said Delivery Point are included in the rates set forth in Schedule II of this Agreement. Seller shall be responsible and pay for all congestion costs imposed between Seller's energy source and the Points of Delivery, and Buyer shall be responsible for all congestion costs between the Points of Delivery and its system.

Section 3. Article 3(b) is deleted and replaced with the following:

- b. Any change in New England regional transmission agreements shall not affect and cannot increase the rates and charges set forth in Schedules II and III, respectively, of this Agreement for the Unforced Capacity and Energy delivered to the Delivery Point referenced in Section 3(a) hereof.

Section 4. Article 4 is hereby amended by the deletion of said Article, and the designation of said Article as "Reserved."

Section 5. The term "Contract Demand" is deleted in each reference in the Agreement.

Section 6. The term "capacity and related energy" is deleted and replaced with the term "Unforced Capacity and Energy" in each reference in the Agreement.

Section 7. The term "Second Effective date" is deleted and replaced with the words "implementation of SMD" in each reference in the Agreement.

Section 8. The term "NEPOOL Capability Responsibility" is deleted and replaced with the term "Unforced Capacity Requirement" in each reference in the Agreement.

Section 9. Section 5(a) is amended by deleting the first paragraph and last paragraph of said Section.

Section 10. Section 5(b) is amended by deleting in the first sentence the words "hereunder pursuant to Article 4 hereof;"

Section 11. Section 6 (b) is amended by deleting the reference to "Bank of Boston" and substituting "Fleet Bank N.A." in place thereof.

Section 12. Section 6(d) is amended by deleting the words "Prior to" and inserting in place thereof the word "Upon". Said Section 6(d) is further amended by deleting in the first sentence the words "including reserves", and is further amended by deleting the last paragraph of said Section.

Section 13. Article 8 is amended by deleting it in its entirety and replacing it with the following:

If Seller fails to provide the energy pursuant to Article 2(b) and such failure is not caused by Buyer (including, without limitation, a failure by Buyer to confirm an IBT, as provided for in Article 2(b)) or ISO-NE, then: (i) Seller shall endeavor to submit an IBT in the Real Time Market pursuant to Manual M-28, Section 9.1.1. to transfer such energy to Buyer at the rate specified in Seller's notice referenced in Article 2 (b) hereof, or (ii) if the result provided for in Article 8(i) cannot be accomplished then Seller shall pay Buyer or credit Buyer, for each hour in which energy was not provided, a deficiency charge an amount equal to the product of each Mwh of deficiency in that hour times the positive difference, if any, between the NEPOOL Day Ahead Locational Marginal Price (LMP) for Energy and the Energy Charge rate set forth in Article 5 as specified in the Seller's Notice pursuant to which it has Scheduled the Energy as provided in Article 2(b) for such hour. A "Mwh of deficiency" shall be deemed to have occurred only to the extent the Real Time LMP is greater than the Energy Charge rate set forth in Article 5 as specified in the Seller's aforementioned nNotice pursuant to which it has Scheduled the Energy in such hour as provided for in Article 2(b).

If Seller fails to provide all or part of the UCAP and such failure is not caused by Buyer or ISO-NE, then Seller shall pay Buyer or credit Buyer a deficiency charge equal to the product of each Mw of such UCAP deficiency times the NEPOOL ICAP deficiency clearing price as listed in the NEPOOL ICAP auction report.

Section 14. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without regard to principles of conflicts of laws.

Section 15. Section 10(a) is amended by deleting in the first sentence thereof the words “no later than May 1, 1994”, and is further amended by deleting the last paragraph of said Article.

Section 16. Article 11 is hereby amended by deleting “Duff & Phelps” in the second sentence. Article 11 is further amended by deleting in the second paragraph the words “Prior to” and replacing those words with “Upon”, and deleting the word “electrical” and deleting the words “as shown on Schedule I.” Article 11 is further amended by deleting the last paragraph of said Article.

Section 17. Article 16 is amended by deleting information pertaining “To Seller” and replacing the same with the following:

Director, Electric and Gas Contract Administration
Boston Edison Company
One NSTAR Way NE220
Westwood, MA 02090

Section 18. Article 20 is amended by deleting the words “kilowatt quantities and related energy” and replacing the same with the words “Unforced Capacity and Energy”.

Section 19. Schedule IV is amended by deleting Schedule IV in its entirety and substituting the attached “Schedule IV” in place thereof.

Section 20. Schedule VI is amended by deleting said Schedule VI in its entirety.

Section 21. Ratification of the Terms and Conditions of the Agreement. Except as expressly amended or waived by this Amendment, the terms, conditions, covenants, agreements, warranties and representations contained in the Agreement are in all respects ratified, confirmed and remade as of the date hereof (except to the extent any such representation or warranty speaks solely as of an earlier date, in which case such representation or warranty is remade only as of such earlier date) and, except as amended or waived hereby, shall continue in full force and effect.

Section 22. Entire Agreement. This Amendment represents the entire agreement of the Parties hereto with respect to the subject matter hereof, and there are no promises, undertakings, covenants, representations or warranties by the Parties hereto relative to the subject matter hereof not expressly set forth or referred to herein. The parties acknowledge and agree that they shall prepare a conformed agreement, which

shall incorporate the terms of the Original Agreement, the First Amendment and the Second Amendment as of the Effective Date of this Second Amendment.

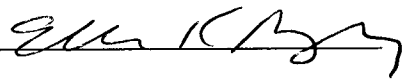
Section 23. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

Section 24. Headings Not to Affect Meaning. The descriptive headings used for the various articles and sections herein have been inserted for convenience and reference only and shall in no way affect the meaning or interpretation, or modify or restrict any of the terms and provisions hereof.

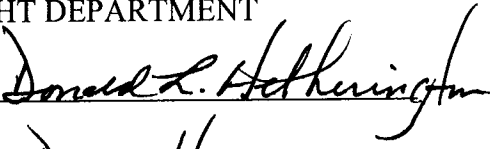
Section 25. Effective Date. This Agreement shall not be effective until all required regulatory approvals have been obtained, and Seller agrees to file this Second Amendment with the Federal Energy Regulatory Commission and seek a waiver to the extent that such waiver is required for this Amendment to have an effective date of March 1, 2003.

Agreed to as of the date set forth above.

BOSTON EDISON COMPANY

By: 
Name: Ellen K. Angley
Title: Vice President,
Energy Supply & Transmission

BRAINTREE ELECTRIC
LIGHT DEPARTMENT

By: 
Name: DONALD HETHERINGTON
Title: ACTING GENERAL MANAGER

Schedule IV

Period	Operable Capacity (OPCAP)	Installed Capability (ICAP)
11/1/1998 – 10/31/1999	7.70	8.8550
11/1/1999 – 10/31/2000	9.40	10.8100
11/1/2000 – 10/31/2001	10.98	12.6270
11/1/2001 – 10/31/2002	10.55	12.1325
11/1/2002 – 03/31/2003	11.85	13.6275
04/1/2003 – 10/31/2003	NA	13.6275
11/1/2003 – 10/31/2004	NA	15.2950